



GOVERNOR
BRIAN SCHWEITZER

STATE OF MONTANA

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Budget Highlights Fiscal Years 2008 - 2009

Governor's Office of Budget
and Program Planning



Montana Cap on Spending

In order to manage spending during these times of significant revenue flow, Governor Schweitzer will **vigorously pursue** with the 2007 Legislature the following 4-point self-imposed "cap on spending" elements:

1. Cap on Ongoing Spending

Limiting general fund spending to \$1.8 billion in FY2009 going into the next biennium, which must cover:

- Existing or new programs
- Tax reductions or credits (unless they are offset with additional revenue measures)
- Any other permanent general fund spending

2. Cap on One-Time-Only Spending

Limiting general fund one-time-only expenditures to no more than \$500 million

3. Safety Valve Protection

Placing trigger mechanisms to delay spending of one-time-only money if actual revenues fall unexpectedly below estimates

4. Pay Cash: No New Debt

Paying for major capital expenditure items in cash during this biennium, rather than creating long term debt through bonding

Montana Financial Security

To insure against the historic "boom and bust" pattern that has plagued Montana for many years, Governor Schweitzer will vigorously pursue a 2-point approach to long-term, stable and sustainable state finances:

1. Cash in the Bank

Insisting on a FY 2009 ending fund balance of at least \$100 million

2. Big Sky Savings Account

Saving revenue above the caps on spending, whether on-going or one-time, into a Big Sky Savings Account to protect Montanans from the impacts of potential future boom and bust cycles



November 15, 2006

Honored Members of Montana's Sixtieth Legislative Assembly:

In accordance with section 17-7-121, MCA, it is my pleasure to submit my 2009 Biennium Executive Budget Recommendations. This budget reflects my vision for a vibrant economy, stronger families, and more efficient government.

From its earliest days, my administration has worked tirelessly to create more and better paying jobs. While we are aggressively pursuing many economic development fronts - developing Montana's energy, including renewables and our huge coal resources, has been my focus. We can and must play a role in helping America reduce its foreign energy dependence. In doing so, we will insist that our air, water, and land be protected. We can create quality jobs and still protect the high quality of life we enjoy in Montana.

Government has a responsibility to provide three vital services for our families: education, safety and health. We have made great strides in improving all three, but my administration will not rest. We have more to do for our public schools, public safety, and access to quality healthcare.

My administration is committed to efficient government. Montana families live within a budget and pay their bills, and so will we. In good times families save – setting aside something for tough times. State government should be no different.

My pledge to the citizens of Montana remains the same: we will live within our means without raising taxes, put some money aside, and provide appropriate and fair tax relief.

I believe that Montanans agree with these priorities. I look forward to working with you during the legislative session.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Schweitzer", with a long, stylized flourish extending from the end.

BRIAN SCHWEITZER
Governor



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Table of Contents

Executive Overview	5
Revenue Overview	26
Financial Overview	34
HB 2 Detailed Agency Budgets	A-1

Where We Stand, What We Found, What We've Done, and Where We're Going

Where We Stand

Governor Brian Schweitzer is committed to leading Montana toward:

- Stronger economy and more quality jobs
- Responsible energy development
- Affordable and accessible health care
- Quality public schools
- Better public access and habitat restoration
- Stronger Public Safety
- Efficient and cost-effective government
- Responsible and sustainable fiscal policy

In seeking opportunities, the Governor demands responsibility and accountability -- making government live within its means and not raising taxes.

What We Found

Governor Schweitzer inherited many complicated challenges, each magnified by years of inattention:

- Property tax shifts to homeowners and small businesses
- The lack of a comprehensive and targeted energy policy
- The lack of access to healthcare and to affordable insurance
- A crisis in mental health services
- A public school system declared by the courts to be unconstitutional
- A higher education system priced out of reach for Montana's families
- A number of contaminated sites in need of environmental cleanup
- An overcrowded corrections system without adequate rehabilitation for offenders
- A public pension system facing more than a billion-dollar gap between contributions and benefits
- An outdated state government computer system that jeopardizes services

What We've Done

Economic Development and Jobs

Our economy is stronger than ever. Montana has the 8th fastest growing economy in America over the last five years. Montana's unemployment rate has never been lower. Construction, new housing, great prices for cattle and wheat, sky-high prices for oil, gas, and metals, all contribute to the most vibrant economy in decades. Governor Schweitzer and his administration were central in achieving a large number of business recruitments, retentions and expansions, including the following:

- AvMax Group, Inc., a Calgary-based company focused on the highly specialized area of commercial regional aircraft repair, through a state grant, will locate its first US operation in Great Falls and add and train 98 new workers
- DirecTV in Missoula, through a variety of state, local and federal business assistance programs, opened a technical assistance center in Missoula that will add 900 jobs to the area economy, resulting in a \$9.5 million net growth in state revenue
- Intercontinental Truck Body, will be able to fulfill a \$25 million contract with the U.S. military using state and local monies to train 20 workers
- Summit Aviation in Helena received funds from the Big Sky Economic Development Trust Fund to add 40 new high-tech jobs
- A British company, GlaxoSmithKline, used state workforce training funds to add 60 jobs and remain the largest employer in Ravalli County
- State job training funds led to the location in Butte of an expansion of Seattle-based foundry, Seacast, Inc.
- Location of an aerospace engineering services center in Bozeman to serve Sikorsky Helicopter
- Indian Country Economic Development funds were made available through the Montana Department of Commerce for the following projects:
 - The Confederated Salish and Kootenai Tribes were awarded money to support an equipment purchase at the tribally-owned Flathead Stickers and Lath Plant
 - The Little Shell Chippewa Tribe was awarded money for a feasibility study a tribal capitol and visitor center
 - The Chippewa Cree Tribe completed a marketing study for a potential ethanol (and its by-products) plant
 - The Fort Belknap Indian Tribes were awarded money to support the tribally-owned Little Rockies Meat Packing, Inc.
 - The Fort Peck Tribes' Mitakuye Corporation received assistance to develop a tribally-owned manufacturing and information technology services network holding company
 - The Apsaalooke (Crow) Nation was awarded money for the establishment of a business development revolving loan fund for enrolled tribal members
 - The Northern Cheyenne Tribe was awarded money to complete a telecommunications study identifying potential tribal ownership opportunities and potential service improvements
 - The Blackfeet Indian Nation received funds to train tribal members in firefighting

- Funding for Indian entrepreneurship training was provided to develop a more viable private sector in Indian Country
- Creation of the \$1.5 million Family Economic Security Demonstration Project to build family financial security

Energy

The following steps toward a more secure energy future were also made:

- TransCanada announced a \$2 billion high-voltage transmission line linking Montana energy sources to the southwest United States will go into permitting - Montana's portion of the line is estimated at \$600 million
- DKRW/Arch Coal and Bull Mountain Energy announced that Roundup would be the site for a \$1.5-2 billion combined mine, gasification, integrated gasification combined cycle power plant and coal-to-diesel plant that is projected to have a 4,200 job impact in the Billings area, including over 1,700 direct jobs
- Successful application for a \$15 million, 3-year WIRED grant from the federal government to build a bio-fuels economy in a 32 county area of eastern and north-central Montana
- Held successful energy summit

Healthcare

Long before he was elected, Governor Schweitzer provided national leadership to obtain affordable prescription drugs. His commitment to affordable and accessible healthcare continues in his administration which has resulted in a number of accomplishments as follows:

- Provided health insurance to nearly 9,500 Montanans through the Insure Montana program
- Provided prescription drugs to over 3,100 Montanans through the Big Sky Rx program
- Eliminated the waiting list for children to enroll in the Children's Health Insurance Program
- Began comprehensive efforts to transform Montana's public mental health system
- Implemented provisions of the voter-passed Initiative-146 to use tobacco settlement money to finance programs that emphasize tobacco prevention
- Targeted resources to reduce the health care worker shortage by providing funds to 2-year colleges for equipment, programs and need-based aid in the Governor's "Best and Brightest" Scholarship for students to pursue careers in health fields

Education

Partnering with the 2005 Legislature, unprecedented investments were made in our public schools and teachers, without raising taxes.

K-12

In keeping with the 1972 Montana Constitution:

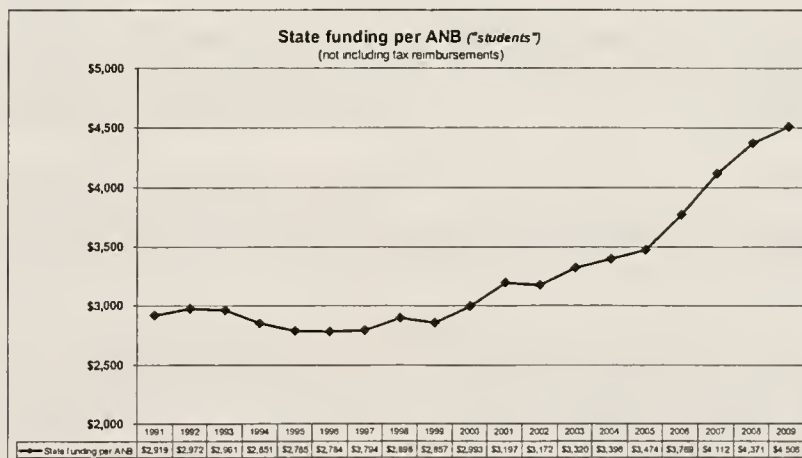
- A quality education was defined, providing an ongoing funding framework
- \$88 million for quality education resulted in a 5.6% increase in school budgets for the 2007 biennium
- \$4.4 million was appropriated for Indian Education for All, including the writing of tribal histories

In a two-day special session called by the Governor in December 2005, the legislature boosted the total ongoing funding for schools with nearly \$37 million in new funds per year. These additional funds help schools to:

- Recruit and retain teachers through a per-educator payment
- Implement Indian Education for All
- Close the American Indian student achievement gap
- Address the unique needs of at-risk students

The special session also appropriated \$159 million in one-time-only money to further assist school districts with:

- Teachers' and Public Employees' Retirement for recruitment and retention (These funds also help Montana homeowners avoid future property tax increases)
- Buildings Operation and Maintenance for a facility study and weatherization and deferred maintenance
- Indian Education for All
- Energy Costs Relief



School Readiness

In 2006, the Governor hosted two summits, at which fourteen community teams identified ways to better coordinate early childhood services with local child care providers and preschools to ensure smooth transitions to kindergarten. In partnership with the Dennis and Phyllis Washington Foundation and the National Governor's Association, business leaders were brought together to learn of the strong connection between quality education and economic success.

The Governor and First Lady's Math and Science Initiative

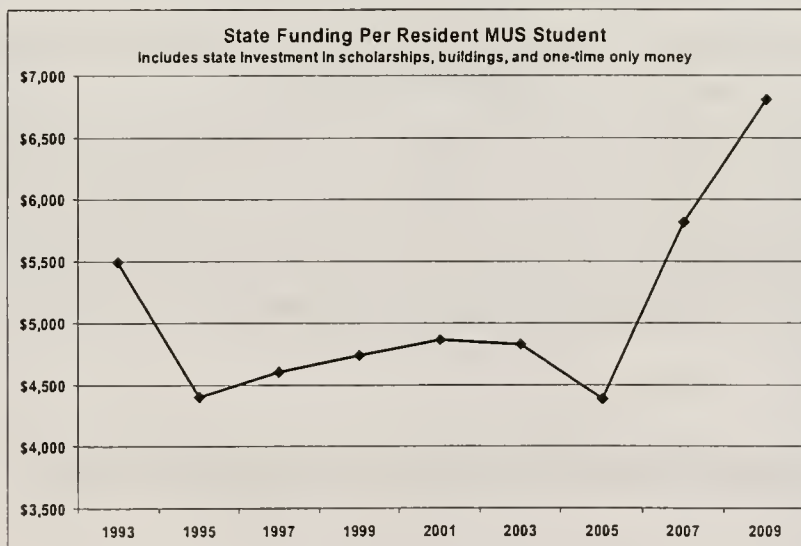
Governor Brian Schweitzer and First Lady Nancy Schweitzer share a joint interest in science. Today's students must have a solid foundation in math and science to compete in a global world. Montana students need to be challenged and excited about learning, so they are prepared for these critical careers.

The Department of Transportation has teamed up with the Governor and First Lady to create sixteen interpretive signs describing Montana's colorful history and stories through geology. The geological road signs include "geo-kid" facts and car activities to encourage families to discover the scientific wonders as they motor the state highways. (www.mathscience.mt.gov)

Higher Education

The 2005 legislative session included a focus on access, affordability, and workforce responsiveness in higher education:

- A nearly 10% increase in funding for higher education
- A 20% increase in merit and need-based aid, creating the Governor's "Best and Brightest" post-secondary scholarship program, resulting in 900 students receiving scholarships
- An emphasis on two-year colleges with funding for equipment that supports high demand jobs
- Tuition support for non-beneficiary students who attend tribal colleges



Access, Habitat, and Restoration

Governor Schweitzer has emphasized the importance of habitat protection and access to ensure the preservation of our great outdoor traditions for generations to come. Accomplishments include:

- Making permanent the Habitat Acquisition, Hunter Management and Hunting Access Enhancement (Block Management), and the Fishing Access Enhancement Programs
- Clarifying that a state or county highway, road, or right-of-way that provides access to public land or waters, including access for public recreational use, may be abandoned only if another public highway, road, or right-of-way provides substantially the same access
- Directing that money from the Future Fisheries Improvement Program, the Bull Trout and Cutthroat Trout Enhancement Programs, the River Restoration Program and other funds be available for voluntary leases or other augmentation measures to match federal funds for emergency in-stream flows

Governor Schweitzer has made important strides to clean up past contamination and restore communities. The administration:

- Concluded negotiations and signed consent decree for Milltown Dam removal and restoration
- Began work in October to clean up about 1 million gallons of diesel fuel floating in ground water and leaching the soil beneath the railroad yards in Livingston
- Adopted a rule that will significantly reduce and fairly distribute mercury emissions from power plants, and limit overall mercury releases to less than a third of the 1,000 pounds currently emitted annually
- Held the Governor's Restoration Forum, which brought people together to explore ways to expand Montana's restoration economy

Public Safety

More than 12,000 Montanans are under the supervision of the Department of Corrections. The administration developed the following guiding principles to address the growing needs of the correctional system:

- Public safety underlies all decisions
- The needs of crime victims and the obligations of offenders to make restitution to those victimized by their crimes will be recognized by corrections programs and officials
- Rehabilitation services, with an emphasis on community programs, are essential in restoring offenders to become productive, law-abiding citizens
- Society, through its government, is responsible for managing offenders; government correctional facilities are preferred over private for-profit operations
- Incarceration of offenders should take place in Montana rather than out-of-state

Following these principles, Governor Schweitzer has:

- Awarded contracts to construct and operate two treatment centers for two-time methamphetamine offenders
- Added chemical-dependency and employment counselors to parole offices
- Added 169 beds in prerelease centers in Billings, Bozeman, Great Falls and Helena to improve offenders' chances of successful transition to society
- Collaborated with the Department of Public Health and Human Services to hire a behavioral health programs facilitator to recommend and assist with implementing improvements in care for offenders with mental health problems
- Implemented a program to sanction parolees and deter them from a return to prison, saving taxpayer dollars
- Started a pilot project named "Native Journey" with federal funds to address the unique needs of the Indian population that is over-represented in the system
- Established comparable services for offenders in the Montana Women's Prison

Emergency Preparedness, and Military Affairs

Governor Schweitzer is committed to our Montana men and women in uniform as well as the local and state law enforcement officials and volunteers who work to keep our communities prepared and safe. During the past two years there have been:

- Historic statewide, cross-jurisdictional progress toward emergency communication interoperability
- Cross-jurisdictional and inter-agency collaboration in a variety of emergency preparedness exercises
- Governor's Emergency Preparedness Conference and Pandemic Flu Summit.
- Business continuity efforts within state government including Continuity of Operations Planning (COOP) and Continuity of Government (COG) plans
- Effective utilization of federal Homeland Security funds
- Montana National Guard deployments in support of U.S. anti-terrorism efforts abroad and at home, and in response to Hurricane Katrina

Effective Government

Public Defender Program

The administration supported the establishment of a new Statewide Public Defender Program for people unable to afford a proper defense in a criminal proceeding. The system creates a consistent level of public defender services in all 56 Montana counties.

Tribal Relations

Governor Schweitzer has accomplished a great deal in Tribal relations:

- Appointed more Native Americans than all previous administrations combined to boards and commissions
- Hired several Native Americans key policy staff and cabinet positions

- Established an internal strategy to ensure activities between the state and the tribes are conducted government-to-government while recognizing the sovereign status of tribes
- Provided a comprehensive report, as required by law (HB 608), of all state activities with the Tribal nations in a timely manner
- Supported the Little Shell Tribe of Chippewa Indians by formally declaring state recognition
- Funded at historic levels:
 - Indian Education for All
 - Closing the Indian student achievement gap
 - Tribal colleges
 - Economic development
 - Tobacco prevention
- Worked with Tribal governments to create understanding of the complexities of state government
- Formally negotiated all State/Tribal agreements including revenue sharing, transportation, social services and others

Public Employees and Public Retirement

In 2003 and 2004 state workers got essentially no raise (a 25 cent hour raise late in 2004). Governor Schweitzer's pay plan provided a minimum raise of just over a thousand dollars in 2005 and again in 2006 or 3.5% and 4%, whichever was greater.

Our public retirement systems are not in sound financial shape. Benefits promised are constitutionally protected and must be paid. In the 2005 special legislative session, Governor Schweitzer infused \$100 million into the Teachers' Retirement System and \$25 million into the Public Employees' Retirement System.

Tax Fairness

The administration is setting new standards for improving the fairness and convenience of the tax system for ordinary Montanans:

- Governor Schweitzer and the 2005 Legislature eliminated business equipment taxes for nearly 13,000 small businesses, while preventing a major shift of property taxes to 250,000 Montana homeowners
- The administration has reduced the share of income taxes paid by Montana citizens by asking non-residents to begin paying their fair share of taxes on the income they earn in Montana—taxes they avoided too often in the past
- The Department of Revenue is successfully seeking collection of long-neglected, large tax cases where millions of dollars have gone unpaid by a handful of delinquent taxpayers
- The administration is preventing property taxes from being unfairly shifted to homeowners and main street businesses by setting proper market values for large centrally assessed properties and defending those values on appeal
- The Department of Revenue is implementing on time and on budget a modern computer system to replace failed systems inherited from the past and to provide better service to taxpayers, improved efficiency and greater equity in taxation

Streamlining State Government

Governor Schweitzer has aggressively promoted efficiency and a desire to streamline government services. Highlights include:

- The Montana Lottery saved the state \$14 million by lowering its transaction and equipment costs
- The Governor directed employees to reduce travel time and fuel costs by carpooling and video-conferencing
- The Department of Public Health and Human Services saved time and money by automating its system for verifying eligibility for food stamps, cash assistance, Medicaid, and the Children's Health Insurance Program
- The Department of Administration saved \$1.3 million by reducing software-licensing charges
- The state workforce delivery system was reorganized to save \$1.2 million in administrative expenses and the money was directed to serve the needs of dislocated workers
- The Department of Public Health and Human Services employees undertook a project to streamline a budget and accounting process resulting in an annual savings of nearly \$640,000

Where We're Going

Governor Schweitzer will practice fiscal restraint with the 2007 Legislature:

- Cap on Ongoing Spending
- Cap on One-Time-Only Spending
- Safety Valve Protection
- Pay Cash: No New Debt
- Cash in the Bank
- Big Sky Savings Account

Governor Schweitzer's Square Deal with Montana will:

- Give Montana resident homeowners up to a \$400 property tax rebate
- Make available full-time kindergarten to every Montana child
- Cap tuition increases at zero for the next two years in our public higher education colleges and universities
- Invest \$15 million to acquire hunting and fishing access for all Montanans
- Eliminate fishing fees for the very young and not so young, so that Families Fish-for-Free
- Suspend the water tax imposed on 90,000 Montanans
- Recognize the extraordinary sacrifices that Montana's National Guard members make when called to active duty by the federal government by creating a \$1 million Military Family Relief Fund

- Eliminate business equipment taxes for 14,000 businesses with equipment of \$150,000 or less, funded by asking non-residents and out-of-state companies to pay their fair share of Montana taxes

Economic Development and Jobs

Governor Schweitzer is committed to creating quality jobs throughout all of Montana. The administration supports improving the current economic development tools and adding some new ones:

Workforce Training Funds: Utilization of workforce training funds has proven to be one of the most successful tools we have in business recruitment and business expansion. The \$2 million carryover for projects already approved prior to the last session and the \$1.3 million annually that was appropriated by the 2005 Legislature was committed to successful projects in less than a year. Utilization of those funds helped create or retain 2,077 jobs which leveraged approximately \$75 million in other funds. The administration recommends funding this critically important program at \$4 million per year (an \$8 million biennial appropriation, using one-time-only funds).

Marketing Montana & Business Recruitment: The marketing and business recruitment efforts of the Governor's Office of Economic Development have also been very successful this biennium. The administration's request to the last session of \$500 thousand per year was reduced to \$300 thousand per year. Because of that, significant marketing and recruitment approaches had to be dropped. The administration again recommends funding this important program at that same level recommended in 2005.

Made in Montana: The administration recommends continuing the following Made-in-Montana activities that were funded as One-Time-Only in the amount of \$100,000 per year:

- Strategic marketing extension is being provided to several Montana companies as part of a pilot project to help Montana manufacturers sell their products through wholesale and industry channels
- Cluster development in the area of Aerospace and Bioscience is being funded to help these nascent but important industries in Montana thrive

Rail Service Competition Council (RSCC): The administration seeks to transfer the administration of the RSCC to the Department of Transportation and clear up several minor administrative issues via a bill advanced through the Interim Economic Affairs Committee.

Indian Country Economic Development (ICED): The administration recommends:

- Since 2005, the STED Council has been extremely active and involved in the cooperative approach of state government with Tribal economic development efforts. Because of that level of activity the initial funding from 1999 has been completely utilized. The administration recommends funding this program as a regular part of the state's economic development efforts at the level of \$85,000

annually and also seeks to transfer the STED Council administrative support to the Department of Commerce.

- ICED proved to be a valuable tool for the state-tribal joint efforts and is recommended to increase from the \$500 thousand annually appropriated last year to \$800,000 per year for this biennium.

Family Economic Security: Creating economic security for Montana families is important to this administration. This budget includes a number of proposals to achieve this goal and to assist struggling families:

Adequate Housing: Approximately 43% of materials, labor and health and safety expenditures in the Weatherization Assistance Program go to occupants of mobile or manufactured housing. Last year, expenditures for labor, materials and health and safety totaled \$5.3 million. The administration proposes to help struggling Montanans improve their living conditions and shore up their economic well-being through a program that will:

- Provide a one-time appropriation of \$3 million to create a revolving-loan fund offering zero-to low-interest loans to qualifying families to purchase energy-efficient manufactured housing
- Serve as many as 120 to 200 families initially and, as the funds revolve, closer to 400 families
- Help build financial competence
- Allow more energy bill assistance and weatherization funds to be used for other types of housing
- Remove the danger of older, deteriorating mobile homes

Individual Development Accounts (IDA): The IDA program provides the opportunity for low income families to become financially literate. These families are required to make financial contributions, which are matched with federal and state funds. The IDA can be used for three primary purposes:

- Buying a home
- Starting a small business
- Post secondary education

Temporary Assistance for Needy Families (TANF) Cash Benefit Increase: The Governor's budget proposes an increase to maintain the cash benefit at 33% of the federal poverty rate. By limiting the increase to this amount, the program with limited federal funds remains solvent through 2010.

Energy Assistance:

- Warm Hearts, Warm Homes, launched by Governor Schweitzer last year, will continue and expand including the continuation of Energy Ombudsman throughout the state.
- The Governor is committed to intensified outreach and enrollment so Montanans in need can easily apply for energy assistance (Low Income Energy Assistance Program). Assuring efficient use of ratepayers' dollars through public benefit

funds like the Universal Service Benefits Program is an essential complement to these initiatives

Military Square Deal: The Military Family Relief Fund will provide one-time only grants to members of the National Guard if they are called to federal active duty for extended periods of time. Three types of grants will be made available:

- Status-Based Grants: \$250 per family member upon activation for a period of more than 30 days
- Casualty-Based Grants: \$2,000 grants for National Guard Members who are injured due to their active military service
- Supplemental Need-Based Grants: up to \$2,000 in cases where military pay is 30 percent less than civilian pay

Energy

The nation has an immediate need for energy independence and security, and a market demand across the West for clean energy. Governor Schweitzer is committed to promoting conservation and energy efficiency while fostering the development of renewable energy resources and new, clean energy technologies. Montana's energy resources—wind, oil and gas, bio-fuels, biomass, coal, and more—are second to none in the country. The administration offers the following energy initiatives:

- Montana will lead by example in energy efficiency by strengthening and expanding the successful state building energy conservation program, expanding the maintenance and improvement of government building energy systems, buying high efficiency equipment, and partnering for efficiency with Montana utilities
- State infrastructure financing programs will encourage alternative energy systems and energy efficiency improvements to water and wastewater systems
- The authority of towns and counties to issue Clean Renewable Energy Bonds that lower the costs of decentralized wind projects through federal tax credits, will be assured
- Montana will support industry-initiated studies needed to make variable wind resources compatible with the transmission system
- The Woody Biomass Utilization Heating Program, faced with the termination of federal funding, will be maintained
- Montana will establish protocols for the production of biodiesel, and enable the testing of Montana-made products according to national standards
- Montana tax credits for the production of biodiesel will be extended from one year to seven years, providing the same duration for tax incentives enjoyed by other renewables
- A grant from the Renewable Resource Grant and Loan Program will fund a Department of Environmental Quality/Montana Tech cooperative effort to develop a more detailed assessments of geothermal resources
- The state's capability to analyze and promote proposed energy delivery infrastructure projects that support energy production, including pipelines and transmission lines, will be restored

Healthcare

Too many Montana families worry about affordable and accessible healthcare. The administration is committed to improving the health status of Montanans while focusing on a number of budget priorities:

- Increase funding to Insure Montana
- Increase funding to the Montana Comprehensive Health Association
- Improve the quality of care for Montanans with developmental disabilities by making fair and standardized payments to those serving this population, based on actual costs
- Make dental care more accessible, especially in rural areas, by increasing the reimbursement rate for dentists
- Expand regional services for treatment of alcohol and other drug addictions through creation of seven residential programs
- Expand home- and community-based Medicaid services for those with disabilities and elderly
- Provide funds to the Montana University System for equipment and program development in high demand fields to help the healthcare workforce shortage

Transforming Montana's Mental Health System: The administration began the transformation of Montana's mental health system by assessing the services and identifying gaps in the current delivery system so that Montanans suffering from mental illness can access consistent treatment therapies.

The Governor's budget contains the Secure Treatment and Evaluation Program (STEP), which is a proposal by the Departments of Public Health and Human Services and Corrections to jointly address the needs of the court-ordered mentally ill offenders to ensure quality and consistent care. Additional proposals are:

- Increasing staff at Montana State hospital
- Increasing the availability of crisis management service by establishing 72 hour presumptive eligibility to allow for client stabilization in a community setting
- Increasing community-based services for adults with serious mental illness
- Assessing the children's mental health system of care

Comprehensive Prevention Strategy: This Administration is committed to promoting healthy lifestyles to prevent illness and disease, this budget and is expanded to include other prevention activities such as:

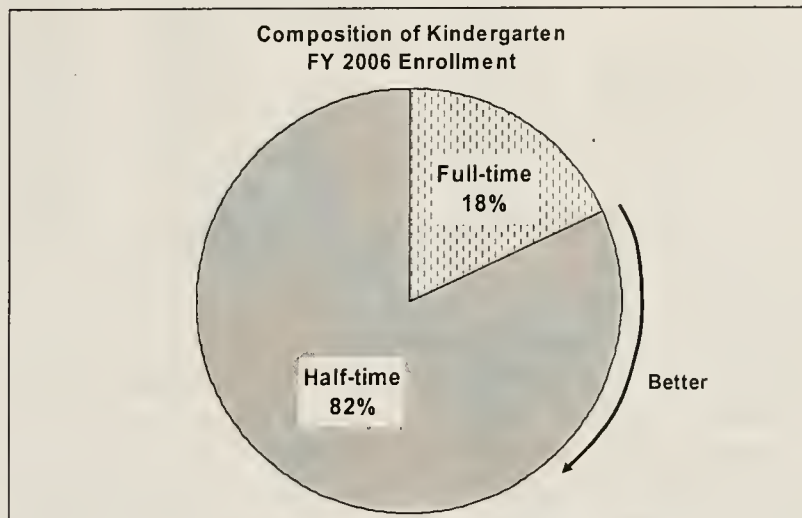
- Implementing a methamphetamine prevention strategy
- Building a public health infrastructure with an emphasis on rural communities
- Reducing tobacco use and other addictive substances

Education

Built on the Governor's *Education for Life* platform, this 2009 budget looks to sustain our strong public education system while preparing for the future.

K-12

- Full-time Kindergarten -- Best Beginnings for School Readiness: Considered part of the Square Deal with Montanans, Governor Schweitzer supports voluntary full-time kindergarten for all children. Kindergarten helps all kids become successful students, especially at-risk children. It is a crucial tool for reducing the achievement gap for poor and minority students, helping all kids enter the first grade with the same tools for success. Investments in early childhood lessen future costs due to decreased grade retention and increased reading, language, and social skills. This program would provide funding to schools to offer full-time kindergarten, but not mandate school boards to offer it or require parents to enroll students in kindergarten.

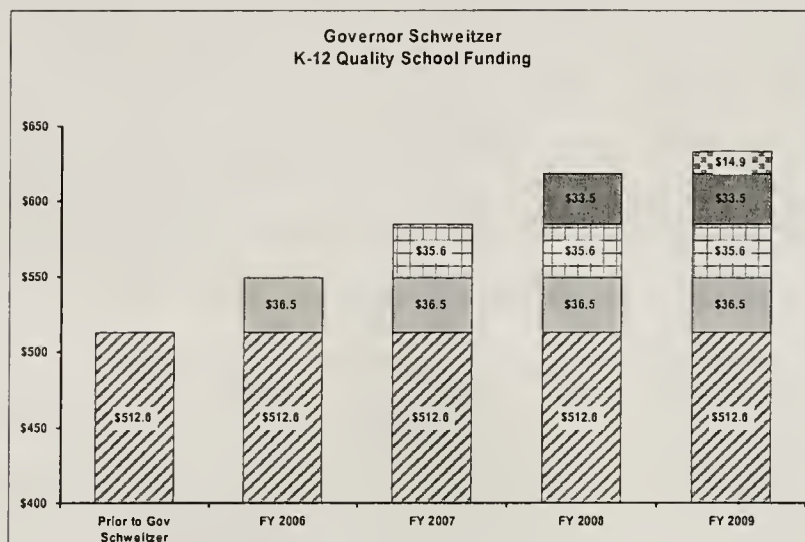


In addition to full-time kindergarten, Governor Schweitzer continues to take steps toward fully addressing the needs of our K-12 school system with the following funding proposals:

- Provide inflationary adjustments for basic and per ANB entitlements and special education
- Help schools meet accreditation standards and recruit and retain quality educators:
 - Increase the per quality educator component of school funding established by the 2005 legislature
 - Establish a quality educator loan forgiveness program targeting hard-to-recruit positions due to geographic or subject area
- Support curriculum specialists – science, math, early childhood (kindergarten), communications arts, library media, and high school/drop out prevention –, at the OPI to keep up with the demands of the 21st century and improve student achievement
 - Add an Indian Achievement Gap Analyst at the OPI to help schools use their Indian Education Achievement component of school funding formula established by the 2005 legislature
 - Provide *Indian Education for All* professional development to best utilize resources and the Indian Education for All per student funding created by the

2005 legislature and resources allocated by the 2005 session and part of the school funding formula

- Complete the Indian Education for All tribal history project, including the Little Shell Nation
- Enhance the K-12 Education Data System to provide better student data, include staffing and collaborate with higher ed. Improved data systems results in better policy systems and meet local, state and federal requirements

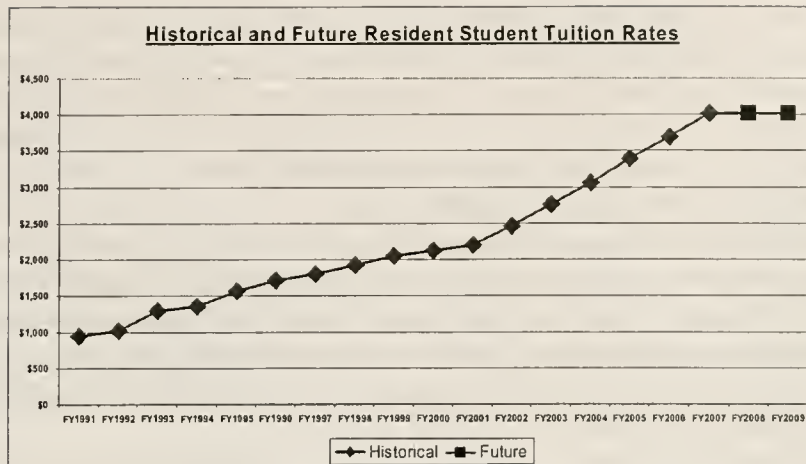


- School Facility Fund: Set aside funds to address the needs identified by the School Facility Study established by the 2005 Legislature. It is recommended that the remaining royalties, after the mineral royalty loan from the coal trust is repaid, be reserved and targeted for future facility needs of school districts as presented to the 2009 Legislature. This plan aligns one-time revenues of approximately \$50 million with one-time expenditures and prepares the state for addressing future K-12 school facility needs.

Higher Education

Governor Schweitzer wants to hold the line on tuition for Montana's university system in the 2007 session and provide more scholarships to students. With a zero percent increase in tuition and a greater investment in scholarships, our most talented will now have the opportunity to attend college in Montana and drive our state's future economic growth.

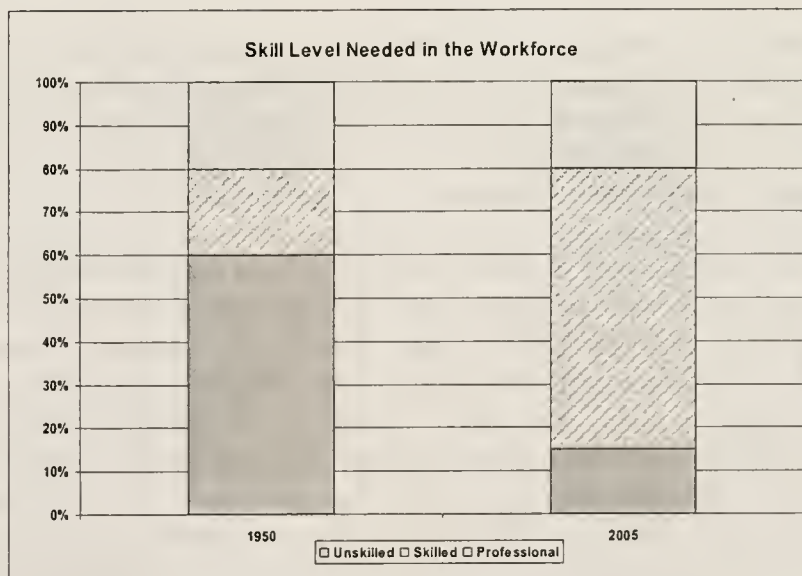
- As part of his Square Deal for Montanans, the Governor's College Affordability Plan (CAP) proposal gives the Montana University System and the community colleges the money needed to hold tuition at current levels for the biennium. The biennial cost of this tuition proposal is approximately \$50 million. This would be the first time since 1991 that tuition did not increase.



- Increasing funding for the Governor's "Best and Brightest" Postsecondary Scholarship to reach more high school students with merit-based scholarships and provide more need-based aid to students attending a two-year college. A continued emphasis will be placed on careers in high demand areas like health care or technology and adding process plant and trades. With this funding, by end of FY2009 nearly 2700 students will be receiving scholarships

Building a Ready Workforce: The labor market is changing; a high school degree is no longer enough. Montana needs to increase the educational attainment of kids who would otherwise stop at a high school degree. Involvement from each side of the education system is needed so that students leave high school prepared for college, and colleges are affordable and accessible to everyone.

Montana is no longer competing with just Colorado and Idaho -- but China and India -- for workers and jobs. Simply put, without an educated workforce Montana cannot be a leader in this highly competitive world.



- Improve Transferability and Student Data with one-time-only funds to create a comprehensive program between campuses of the Montana University System. In addition, the OPI and the Office of Commissioner of Higher Education (OCHE) are working together to coordinate data systems that link students' educational opportunities in K-12 with their successes in college and to link teacher preparation programs with success in the K-12 classroom
- Support growth in high demand fields with one-time-only funds for Montana colleges to help with workforce development with and to purchase equipment and technology respond to Montana's changing workforce needs. Montana's colleges will place a focus on high demand fields such as such as healthcare, skilled industries and other programs. The Commissioner of Higher Education will consult with the State Workforce Investment Board (SWIB).
- Continue support for distance learning with one-time-only funds to enhance the opportunities for students to access a better e-learning system

Access, Habitat and Restoration

Access

To ensure that Montana continues to protect its cherished outdoor traditions, Governor Schweitzer is proposing the use of one-time money for the acquisition of state parks and public access sites for hunting and fishing, and a "Families Fish for Free" program.

- The proposed acquisition program would identify and purchase key sites for state parks in all regions of the state. Some state park sites may coincide with potential river access sites where access is currently limited. Acquiring better public access to large tracts of public land for hunting and other outdoor activities is anticipated as well
- "Families Fish for Free" aims to ensure that a timeless Montana tradition is carried from one generation to the next. Kids under age 15 will fish for free, as will adults 62 and over. A conservation license will still be required, but will cost nothing for Montanans who fit the "Fish for Free" category.

Restoration

Building on Governor Schweitzer's Restoration Forum, Montana will invest in the restoration of damaged lands and waters. These investments will return ecosystems to healthy function, improve the quality of life in Montana communities, increase property values, support growth of new industries, and create good paying jobs. Components of the Governor's restoration initiative include:

- A request of one-time dollars to determine the nature and extent of contamination at the Mike Horse Mine in the headwaters of the Blackfoot River near Lincoln.
- Continuation of cleanup activities at the Burlington Northern Santa Fe Railway refueling site in Livingston, and development and implementation of a remedial plan for the entire project.
- Legislation to better integrate state agency restoration programs with Montana University System components.
- Restoration workforce training and apprenticeship programs
- Infusion of one-time money to accelerate the cleanup of select state CECRA and abandoned mine sites.

- Legislation to facilitate greater use of the Orphan Share State Special Revenue Account

Noxious Weeds

The spread of noxious weeds across the state robs land of its productivity and money from the pockets of Montana farmers and ranchers. Governor Schweitzer is requesting a one-time deposit of \$5 million to the Noxious Weed Trust Fund, which will nearly reach the \$10 million level protected by voters in 2004. This additional money will allow the state to provide more grants for financing the war on weeds by county weed districts, other local governments, and researchers.

Public Safety

One of Governor Schweitzer's primary concerns is ensuring children and families are safe. Since over 90% of offenders assigned to the Department of Corrections are released to communities, the budget contains the following proposals to assist offenders once they have served their time in the corrections system and to make every effort to make sure they do not commit other crimes or return to incarceration:

- Increase the number of probation and parole officers
- Increase the number of probation and parole chemical dependency counselors
- Provide an additional pre-release center in an under serviced area
- Fund the Juvenile Re-entry Program
- Add staff to the Board of Pardons and Parole

Emergency Communication and Enhancing 9-1-1 Services: Communication is a critical tool in emergency response and recovery. Local, state, federal and tribal public safety personnel must have the ability to communicate effectively across jurisdictions and distances.

- Invest in infrastructure and equipment necessary for Interoperability Montana
- Fund further deployment of "Enhanced 9-1-1" service

Fires and Hazardous Material: Montanans are at risk from wildland fire and the accidental release of hazardous materials. These events may occur without warning, can affect hundreds of lives, and dramatically and permanently damage and devalue property. The administration proposes to:

- Provide funds to sustain six regional hazmat teams (Billings, Bozeman, Great Falls, Helena, Kalispell and Missoula)
- Increase capacity at the state Fire Services Training School
- Increase the statutory appropriation for declared emergencies
- Add funds for the purchase of fire fighting equipment for state and local governments
- Build a wildfire suppression fund

Effective Government

State Government Workforce Development and Proposed Compensation Package: The Schweitzer Administration proposes to eliminate the old classification system and replace it with a “broadband plan” for all agencies in the Executive Branch to recruit and retain capable employees. Condensing pay plans into one system provides consistency and equity in pay for state employees.

- | | |
|-----------------------------|---|
| 1. Base salary increase: | 3.0% |
| 2. Flexibility component: | 0.6% |
| 3. Health insurance | \$33/month in 2008 and another \$36/month in 2009 |
| 4. Longevity after 10 years | 2% (from the current 1.5%) |

Governor Schweitzer also proposes a new workplace safety effort to reduce job-related injuries to state workers and a disability management plan to help control insurance costs.

Public Employee and Teacher Retirement Systems: The Schweitzer Administration will submit legislation and budget recommendations that will restore fiscal soundness for the state’s Teacher’s Retirement, Public Employment Retirement Systems, and the other six public employee pension systems. The administration will vigorously defend the defined benefit programs that have been established for state workers and teachers for many decades. In order to assure that these public pension plans remain viable and pay the benefits that the state is constitutionally obligated to provide, the following budget recommendations will be proposed:

- Infusing an additional \$100 million into the Teachers’ Retirement System from the General Fund cash balance
- Phasing in higher employer contribution rates over several years for TRS
- Closing loopholes that allow for ‘gaming’ the system
- For new employees hired after July 1, 2007, provide that a guaranteed annual benefit adjustment (GABA) be 1.5% annually
 - Members in the Teachers Retirement program would not be affected; their GABA is already 1.5%
 - All non-TRS systems would be effected for new hires after July 1, 2007
 - No current employee or retire would be effected; the GABA remains at 3%
 - The GABA reduction for the non-TRS systems will save taxpayers over \$500 million over the next 30 years

Open and Inclusive Government: Government has a responsibility to provide a “safety net” so all citizens can enjoy the Big Sky. The budget includes for the following:

Elder Citizens

- Creation of a Senior Trust Fund
- Increase funding for Meals on Wheels

- Increase funding for home- and community-based Medicaid services to reduce the waiting list

Citizens with Disabilities

- Increase funding to reduce the waiting list for community services
- Adjust direct care provider rates for consistency
- Increase funding for the School for Deaf and Blind
- Build leadership for youth with disabilities

Montana Children

- Increasing child protection services
- Providing additional funding to the children's mental health system

First Montanans

- Funding to promote economic development with the Tribal nations
- Funding to close the achievement gap for Indian youth
- Funding for a pre-release center located in rural Montana on or near a reservation
- Funding to prevent Indian youth from using tobacco products
- Creation of substance abuse treatment centers on or near reservations

Infrastructure: The state computer system is critical to the overall operation of state government, including 24/7 services for Montana citizens and businesses. The system handles:

- Accounting for every cent of the \$7 billion in revenue and expenditures passing through government and nearly half a million taxpayer files
- Millions of government payments and eGovernment services for citizens and businesses across the state
- 1.5 million drivers records and 2.5 million vehicle records
- Criminal justice information critical to the safety of law enforcement officers in the field
- Tracking of some 12,500 offenders in corrections programs
- Desktop services for 14,000 state employees

The \$14 million hub of this system, jammed with sensitive data, is sited in the basement of an aging building and is vulnerable to disruption. Minimal disaster recovery and back-up services cost the state more than a half a million dollars each year. The administration proposes to:

- Construct a high-security data center in Helena that will house the network operations and voice telecommunications centers, staff of the Information Technology Services Division, and key IT personnel from other state agencies
- Establish a remote backup center in eastern Montana
- Ensure continuity of government
- Guarantee reliable service for Montanans and their businesses
- Eliminate the biennial cost for the out-of-state back-up system
- Allow substantial data and data storage expansion
- Accommodate the changing role of computers in state government
- Enhance overall efficiency by housing key staff near the data center

Tax Fairness: The administration proposes budget and legislative measures to insure that current Montana taxpayers are not asked to carry the burden for those who are not carrying their fair share:

- Strengthen and expand efforts to ask those who are not paying their fair share of taxes to do so - especially non-residents and out-of-state corporations who too often overlook, ignore, or improperly avoid taxes on Montana income.
- Require non-residents to withhold taxes for their income from the sale of Montana property and from royalties on Montana oil, gas, and other resources - just as Montanans have taxes withheld from their wages and salaries.
- Crack down on illegal tax shelters used by wealthy non-residents and large out-of-state corporations to evade taxes on their Montana income.
- Prevent unpredictable property tax increases for homeowners, farmers and ranchers, and small businesses, protect local governments from fiscal disruptions and ensure equal educational opportunities for school children by reducing the impact on local communities caused by large corporate centrally assessed property appeals.
- Reward Montanans by allowing them to file their state taxes electronically free of charge.
- Give a rebate totaling nearly \$100 million of one time money or \$400 per homeowner, part of the Governor's Square Deal.
- Eliminate business equipment taxes for an additional 14,000 Montana small businesses—and doing so without shifting any additional property taxes to homeowners. The \$30 million in small business tax reduction for this and future biennia would be financed by tax compliance measures that ask non-residents and out-of-state companies to pay a fair share of taxes on the income they earn in Montana—taxes they have avoided too often in the past. When this measure is implemented, the Schweitzer Administration would have eliminated business equipment taxes for nearly 90% of MT businesses.

Revenue and Managing Expenditures

The availability of significant unanticipated state revenues provides us with choices. We can be reckless or we can be prudent. We can succumb to political expediency or we can take responsible action. We can act as if there is no tomorrow, as has been done nationally, or we can account for the future in the decisions we make today. Which road will we take?

During the past three years, Montana has experienced revenue growth of over 10%, an unusually high rate. For nearly twenty years the long term rate has been 4.6%. While the higher rate of revenue growth may continue, Governor Schweitzer and the 2007 Legislature should not and cannot gamble on a future of continuing record revenue growth. The people of Montana are the loser should such a gamble fail.

Therefore, Governor Schweitzer **strongly advocates** a budget with a prudent cap on spending that provides for stable funding of essential state services for the future. **Montana's budget must be structurally balanced and sustainable** if we are to avoid the difficulties that come from the historic Montana pattern of "boom and bust" revenue flow.

In order to have a future where services can remain available without tax increases, we must build a hedge against the inevitable economic downturn. Even if revenues grow only at their twenty-year average, or if Montana is affected by national recession, monies must be available for the services the people need. The 2007 Montana Legislature can make history: it can avoid the boom-bust cycles that have marred Montana's past. By establishing a fund for financial stability, a Big Sky Savings Account, we can lessen or even eliminate the risk of service cuts or tax increases. Montanans, today and tomorrow, will be greatly served by this historic strategy.

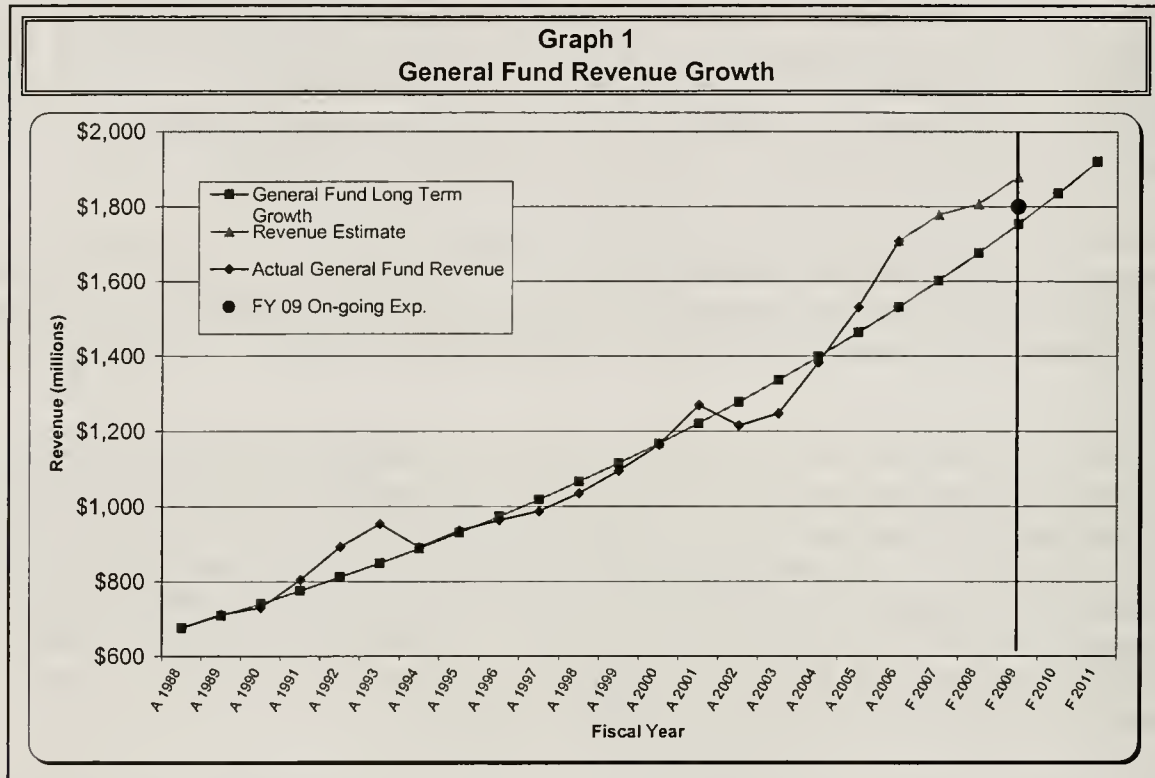
The Executive Budget is built so that the on-going expenditures are within the parameters of the long-term general fund revenue growth trend. The information shown in Graph 1 and Table 2 illustrates the detail to used to build the following "budget markers. "

- \$1.8 billion limit on on-going expenditures for FY 2009
- \$500 million limit of one-time expenditures for the 2009 biennium, with a safety valve for any unanticipated revenue shortfall
- All capital expenditures made with cash, no debt incurred
- \$100 million FY 2009 ending general fund balance
- Revenue available above these "budget markers" goes into the Big Sky Savings Account to maintain constant service levels when revenue declines below the long-term growth trend.

Within this long-term revenue growth trend, there is an eight year cycle for revenue: seven years of increasing revenue and one year of declining revenue. When the revenue declines, it usually falls below the long-term trend. The last general fund revenue decline was 4.35% in FY 2002. The previous general fund revenue decline was 6.42% in FY 1994.

Long-Term General Fund Revenue Growth

The long-term general fund revenue growth trend is about 4.64%. But within this long-term growth trend are large fluctuations; some years with very high growth and some years with revenue decline. Historically, Montana has seen eight-year cycles that feature revenue increases for seven years – with the more rapid growth in the fifth, sixth and seventh years – capped with a revenue drop in the eighth year. This trend is shown in Graph 1.



- From FY 1991 to FY 1993, the state had rapid growth and then revenue declined 6.42 % in FY 1994 and grew slowly for a number of years.
- From FY 1999 to FY 2001, high growth rates were followed by a 4.35 % drop in FY02 and a slow rebound in FY 2003.
- General fund revenue grew by more than 10% for FY 2004, FY 2005, and FY 2006. So far, FY 2007 revenue appears to be continuing that trend.
- However, history indicates the general fund cannot continue to grow at the FY 2004 through FY 2006 pace.

Graph 1 shows the general fund revenue estimates through FY 2009 continuing to grow under the current economic conditions.

Table 1 compares the actual and forecasted unaudited general fund revenue for 24 years, from FY 1988 through FY 2011. The FY 2007 to FY 2009 revenue estimate, based on today's economic conditions, is \$433 million above the historical long-term growth rate.

At the end of FY 2006, the state's general fund had a balance of \$406 million. If \$100 million is considered an acceptable balance, the state had \$306 million already available for one-time expenditures. Adding that extra FY 2006 general fund balance to revenue expected in the following three fiscal years, the 2007 Legislature would have \$739 million in excess of the on-going revenue trend.

Table 1 General Fund (GF) Long-Term Revenue Growth (Millions)					
Fiscal Year	General Fund Revenue	Percent Change	4.64% Growth	Percent Change	Actual vs. Trend \$ Diff.
A 1988	\$677		\$677		\$0
A 1989	\$712	5.21%	\$708	4.64%	\$4
A 1990	\$730	2.58%	\$741	4.64%	(\$11)
A 1991	\$805	10.26%	\$775	4.64%	\$30
A 1992	\$893	10.86%	\$811	4.64%	\$81
A 1993	\$953	6.76%	\$849	4.64%	\$104
A 1994	\$892	-6.42%	\$888	4.64%	\$3
A 1995	\$935	4.88%	\$930	4.64%	\$6
A 1996	\$963	2.98%	\$973	4.64%	(\$10)
A 1997	\$987	2.43%	\$1,018	4.64%	(\$31)
A 1998	\$1,034	4.85%	\$1,065	4.64%	(\$31)
A 1999	\$1,094	5.81%	\$1,115	4.64%	(\$20)
A 2000	\$1,164	6.32%	\$1,166	4.64%	(\$3)
A 2001	\$1,269	9.10%	\$1,220	4.64%	\$49
A 2002	\$1,214	-4.35%	\$1,277	4.64%	(\$63)
A 2003	\$1,246	2.65%	\$1,336	4.64%	(\$90)
A 2004	\$1,382	10.85%	\$1,398	4.64%	(\$17)
A 2005	\$1,531	10.81%	\$1,463	4.64%	\$68
A 2006	\$1,708	11.58%	\$1,531	4.64%	\$177
F 2007	\$1,779	4.15%	\$1,602	4.64%	\$177
F 2008	\$1,807	1.56%	\$1,676	4.64%	\$130
F 2009	\$1,879	4.01%	\$1,754	4.64%	\$125
FY 07 - FY 09 Revenue Est. over Trend					= \$433
FY 2006 Fund Balance above \$100 Million					= \$306
Total General Fund Avail over Long-TermTrend					= \$739

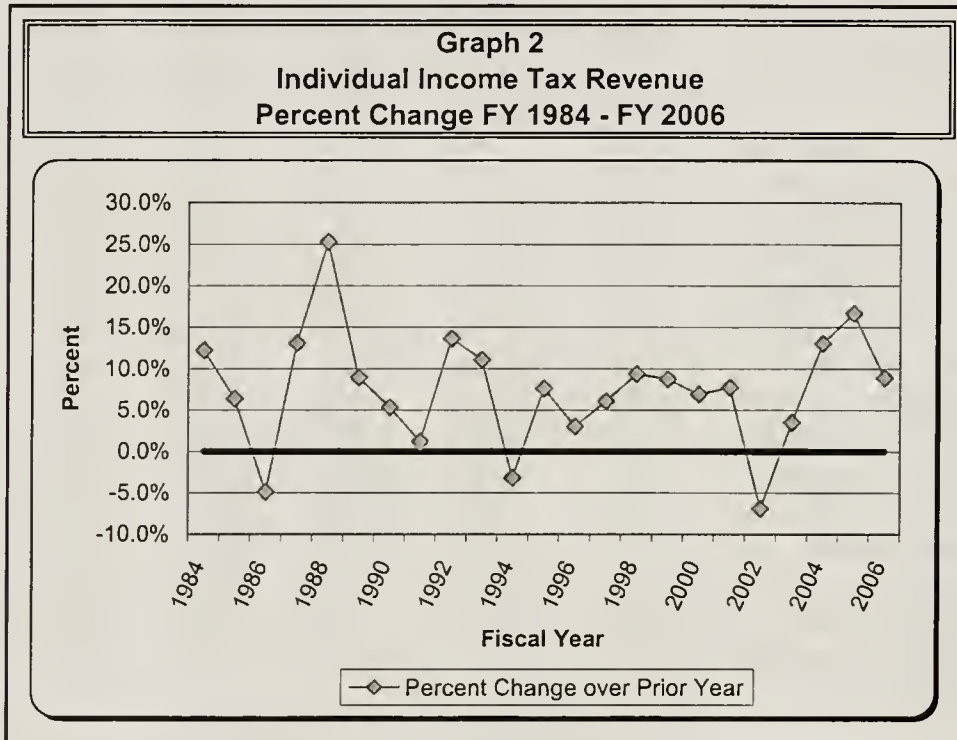
These funds will be available only if the current economic factors continue and if any revenue growth adjustment follows historic trends. The revenue correction usually occurs in the eighth year; but if it happens earlier, the \$739 million excess revenue will not be realized and the overall projections will decrease.

Volatility of Montana's General Fund Revenue

Montana's general fund revenue sources are very volatile. Sixty-three percent of the general fund is dependent upon three very dynamic revenue sources: individual income tax, corporate license tax, and natural resource taxes. As a group, other revenue sources change much more slowly and generally increase each year.

Individual Income Tax

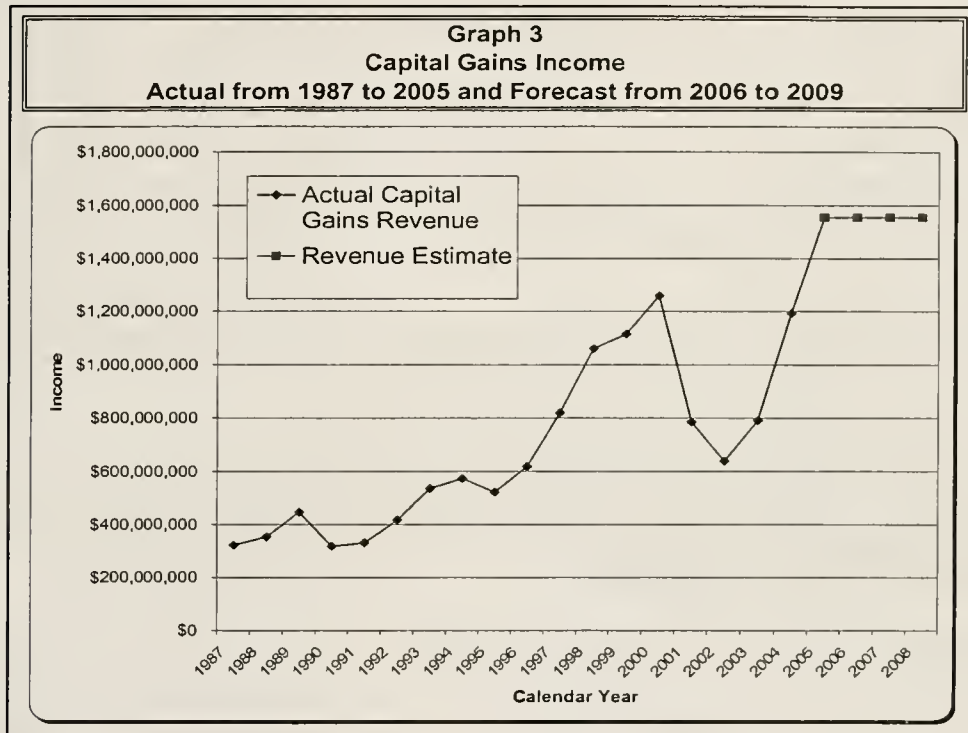
Personal income tax, which accounts for slightly less than half of general fund revenue, can fluctuate significantly from year to year. In FY 2001, for example, the state received \$556 million and the following year the amount dropped 7% to \$517 million. Personal income tax revenue grew 3.5% in FY 2003, jumped 13% in FY 2004, 16% in FY 2005, 9% in FY 2006. Graph 2 shows the history of individual income tax growth yearly since FY 1984.



Individual income tax revenue is expected to continue growing in FY 2007 through FY 2009, but at a slower rate than what occurred from FY 2002 to FY 2005. Based on history, the growth should remain positive until FY 2010. However, the pace of the revenue growth has been more rapid and will need to continue to be positive through FY 2009 to have the \$739 million available above the long-term revenue growth trend.

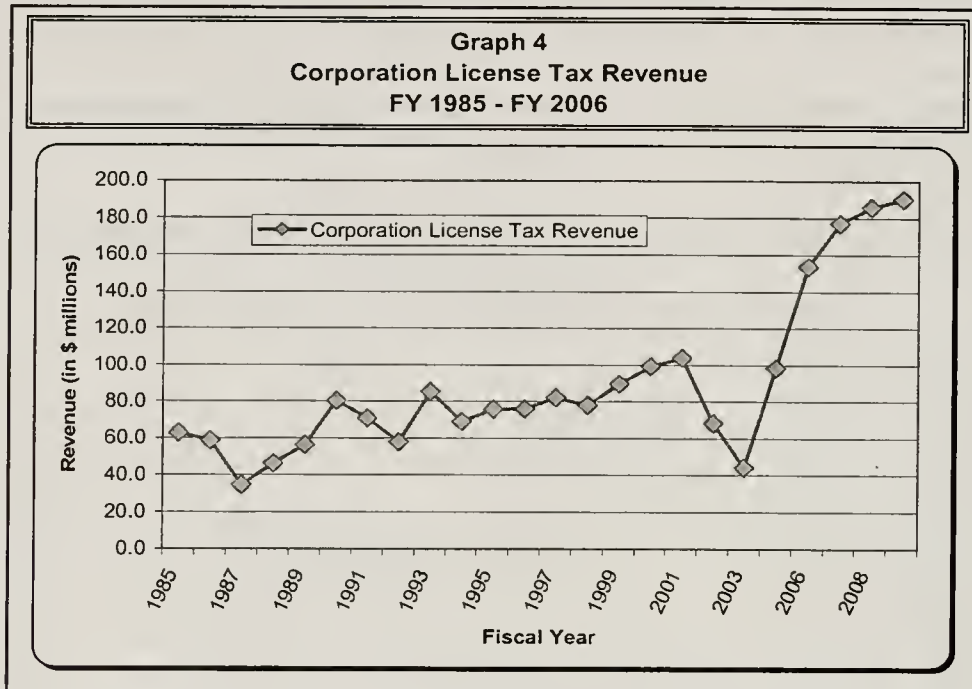
Individual Income Tax - Capital Gains

Since 1997, capital gains have been a driver in the fluctuations seen in state revenue. Capital gains have been much more volatile recently, as shown in the graph. Capital gains has a major impact on the amount of income taxes paid and, therefore, on overall revenue. It was a factor in the general fund revenue increase during FY 2006. However, based on recent history, this does not mean that the income tax on-going revenue base will be higher in future years. As Graph 2 shows, the projected capital gains income is projected to be sustained at the tax year 2005 level, but there is some risk that it will return to the long-term trend.



Corporate License Tax

Corporate tax is very volatile. As shown in Graph 4, corporate tax has ranged from \$104 million in FY 2001 down to \$44 million just two years later, and rebounded to \$154 million in FY 2006.



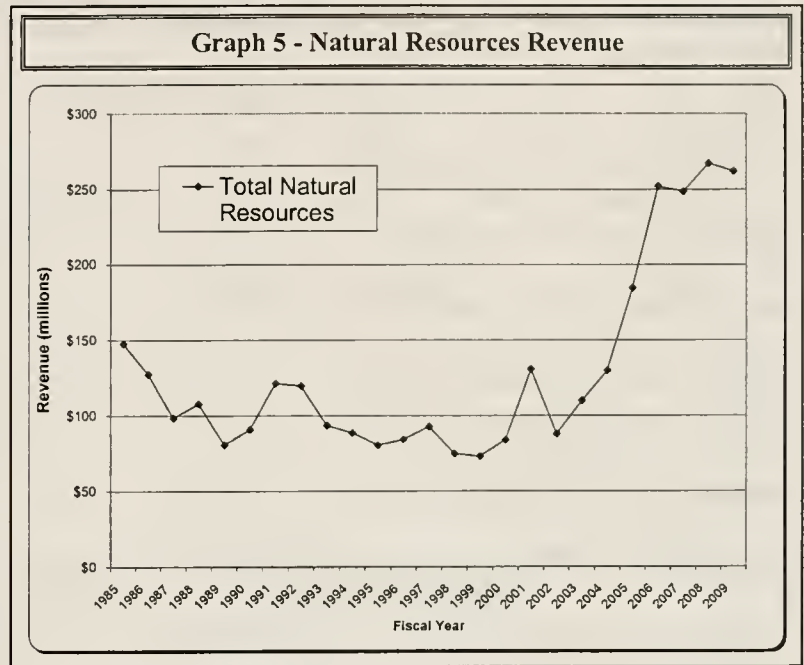
- In FY 2001, revenues reached a peak of \$104 million, but then dropped by more than \$35 million (34%) in a single year.
- In FY 2003, corporate tax declined another 35%.
- In FY 2004, revenues jumped by 53% and increased once again in FY 2005 by 45%.
- This roller-coaster pattern is not unique to that four-year period. In a one-year span, FY 1986 to FY 1987, corporate tax collections plummeted 41% after decreasing just 6% the year before.

As seen in Graph 4, revenue estimates reflect continuing increases in corporate profits as projected in Global Insight's national forecast. Should the Global Insight projection of national corporate profits be too optimistic, Montana corporate profits will be overstated. It is very feasible for corporate profits to decline by half from one fiscal year to the next.

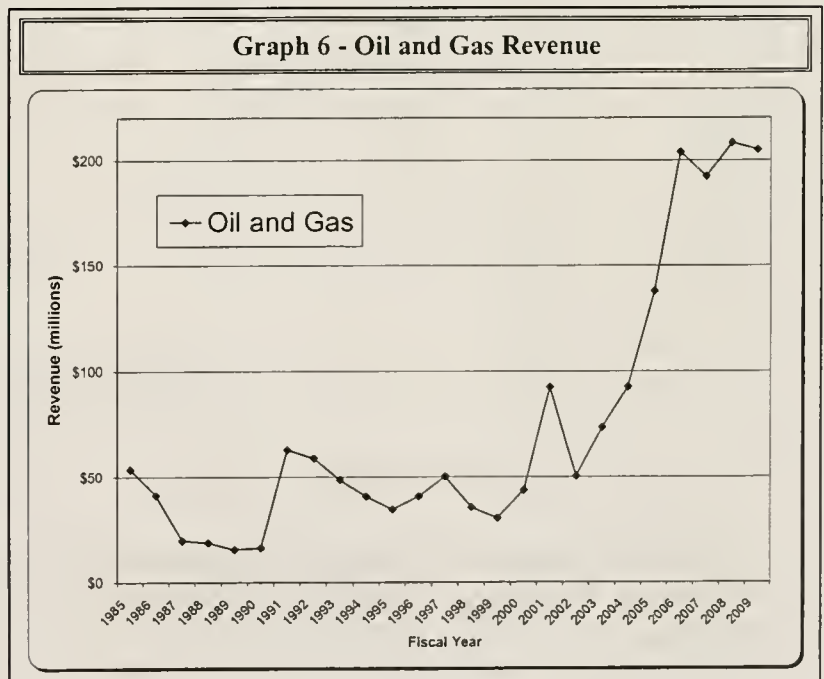
Natural Resource Revenue

Natural resource revenue allocations change frequently. The data shown is oil and natural gas production taxes, total coal severance tax, and metalliferous mine taxes, reported by the Legislative Fiscal Division for FY 1985 to FY 2006 and the Budget Office revenue estimates for FY 2007 to FY 2009. As shown in Graph 5, revenue from natural resources increased very rapidly after FY 2002. Except for a large increase in FY 2001, natural resource tax revenue had gradually declined prior to FY 2002.

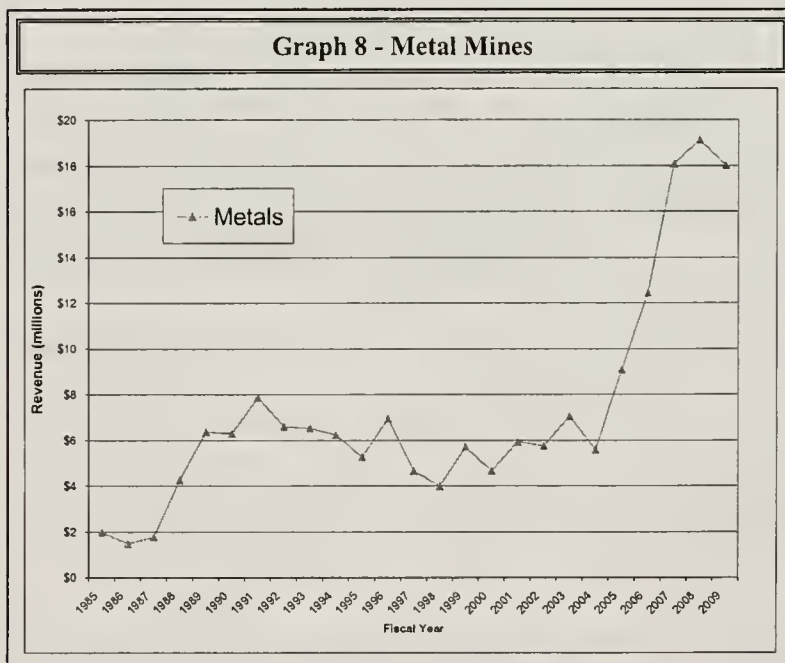
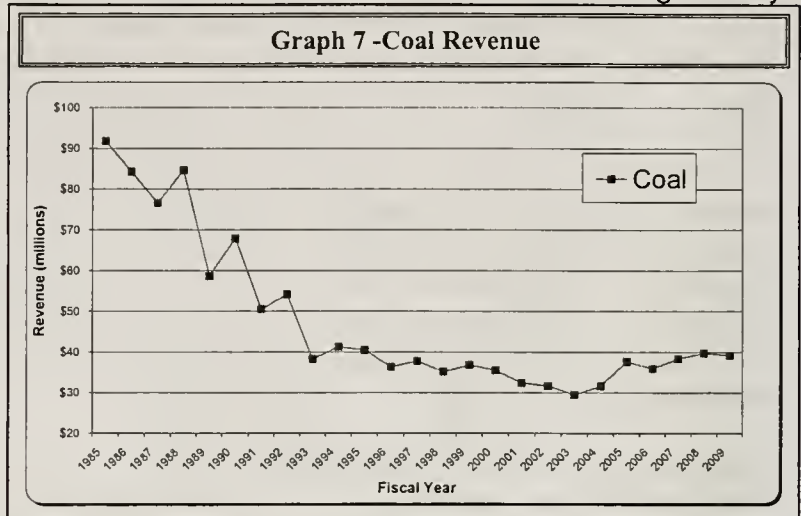
Examining the three natural resource taxes separately, revenue from coal production is decreasing while revenue from oil and natural gas production and metalliferous mines is increasing dramatically.



Graph 6 shows the oil and natural gas total tax revenue since FY 1985. During this time, taxes were reduced and that is reflected in lower tax revenue. But oil and natural gas production tax revenue has seen rapid increases since FY 2002. The graph shows that in the past four years, the revenue increased from \$50 million to \$204 million. The governor's budget office revenue estimates show a slight decline in FY 2007, due primarily to declining natural gas prices just in FY 2007. With a 300% growth in four years, there is considerable risk of a rapid revenue decline. The extent of such a reversal will depend mostly on the price of oil and natural gas.



Graph 7 shows a decline in coal tax revenue from \$92 million in FY 1985 to \$29 million in FY 2003, most the decline came from the reduction of the tax from 30% to 15% in three stages beginning in 1988. From FY 1994 to FY 2003 coal taxes went gradually down from \$41 million to \$29 million. Since then they have gradually increased. The state saw growth in FY 2004 and FY 2005 with coal tax revenue flattening in FY 2006. Notwithstanding the possibility of increased coal taxes resulting from the success of the Governor's coal development initiatives, the long lead time for such developments to come on line leads the budget office to estimate that coal tax revenue will remain relatively stable over the near term.



Metalliferous mine taxes, as shown in Graph 8, increased from \$2 million in FY 1985 to around \$6 million for the period FY 1989 to FY 2004. In FY 2005, metal mines revenue increased 65% or \$3.5 million. That was followed by another jump of \$3.4 million, or 37%. Based on a mine survey, the budget office projects this revenue to increase another \$6 million, or 50%, in FY 2007, before leveling off for the next two years.

In summary, the natural resource estimates for FY 2007 to FY 2009 show considerable optimism in the mining companies' production outlook, Global Insight's price estimates, and the futures market. These revenue estimates are built on the economics of today. In Montana as the graphs show, natural resource taxes are an all-time high and they can decline rapidly.

Financial Overview

The following table contains the anticipated general fund balance over the coming biennium:

2009 Biennium General Fund Balance				
Governor's Budget				
	Actual FY 2006	Projected FY 2007	Projected FY 2008	Projected FY 2009
Balance	\$297.44	\$422.11	\$538.56	\$235.46
Adjustments	(16.69)	(8.26)	-	-
Adjusted Balance	\$280.75	\$413.86	\$538.56	\$235.46
Revenue				
HJR 2 Revenue - <i>OBPP estimate</i>	\$1,708.17	\$1,779.12	\$1,806.80	\$1,879.24
Department of Revenue HB2			5.16	10.20
Department of Revenue Other			15.49	11.87
Revenue Total	\$1,708.17	\$1,779.12	\$1,827.44	\$1,901.31
Available Funds	\$1,988.92	\$2,192.98	\$2,366.01	\$2,136.77
Disbursements				
General Appropriations - ongoing	\$1,269.54	\$1,355.65	\$1,540.98	\$1,589.28
General Appropriations - OTO	47.93	52.44	45.42	15.14
Statutory Appropriations	120.29	150.55	157.96	142.22
Miscellaneous Appropriations	102.91	6.05	-	-
Non-budgeted Transfers	24.27	28.95	9.02	9.14
Supplemental Appropriations	-	76.43	-	-
Language Appropriations	0.71	0.64	1.00	-
Feed Bill Appropriations	1.15	9.08	2.50	9.25
Anticipated Reversions	-	(25.37)	(5.00)	(5.00)
Bills				
HB 13 Pay Plan			20.15	38.46
HB 5 Long-Range Building - transfers			65.88	50.88
IT Long-Range Bill - transfers			25.35	29.12
Governor's Tax Rebates			118.93	-
Actuarial funding of Retirement Systems - ongoing			14.37	14.97
Actuarial funding of Retirement Systems - OTO			100.00	-
Other Supported Appropriation Bills			33.99	2.07
Disbursement Total (OTO and ongoing)	\$1,566.80	\$1,654.42	\$2,130.54	\$1,895.51
Ending Fund Balance	\$422.11	\$538.56	\$235.46	\$241.26
Disbursement Subtotal - ongoing	\$1,401.36	\$1,532.41	\$1,726.50	\$1,799.99
Disbursement Subtotal - OTO	\$165.44	\$122.01	\$404.05	\$95.52
Projected Structural Balance - HJR2 Revenue estimate less Ongoing expenditures	\$306.80	\$246.72	\$80.30	\$79.25

This balance sheet does not spend down to the required \$100 million fund balance. The remaining \$140 million will be set aside in the Big Sky Savings Account.

This budget is more than structurally balanced. With ongoing spending at \$1.800 billion in FY 2009 and ongoing revenue at \$1.879 billion, this leaves \$79 million as the ongoing structural balance. If a change occurs in the economy, there is a cushion to sustain the budget through revenue variability.

One-Time-Only Expenditures:

The table on the following page details all one-time-only (OTO) appropriations in the 2009 biennium that are greater than \$200,000. This budget is comprised of \$500 million in one-time only expenditures in the 2009 biennium. These expenditures are primarily a down payment on our future as Montanans. We have tax rebates, paying down debt, "fixing up the roof", and investments in buildings, technology, and our parks.

2009 Biennium General Fund OTO Appropriation List

Agency Name	Description	Total
All Agencies	Miscellaneous - less than \$200,000	2,651,160
Department of Commerce	BRD Made in Montana HB0002- OTO	200,000
Department of Administration	Earthquake Protection Enterprise Data Center-OTO	200,000
Public Health and Human Services	MMIS and Mental Health Systems Analysis (BIEN/OTO)	200,000
Department of Justice	Crime Lab Equipment (RST/OTO)	230,750
Department of Commerce	BRD Main Street HB0002- OTO	247,044
Department of Environmental Quality	Biofuels Testing - OTO	250,000
Office of Public Instruction	K12 Education Data Systems	250,000
Department of Administration	SABHRS Readiness Assessment (Biennial/OTO)	270,000
Department of Corrections	Correctional Staff Scheduling Software - OTO	274,800
Department of Corrections	Electronic Storage and Workflow	280,000
Public Health and Human Services	Ongoing Lab Equipment Replace & Maintenance OTO	290,000
Public Health and Human Services	WIC IT System Purchase & Modification (BIEN - OTO)	290,000
Judiciary	District Court Safety and Security Proposal - OTO	300,000
Department of Commerce	BRD Montana Capital Investment Board HB0002- OTO	370,146
Department of Corrections	MSP fiber plant upgrade OTO	376,750
Department of Corrections	MSP Replacement Equipment - OTO	378,500
Governor's Office	Aircraft Engine Overhaul Contingency OTO	429,000
Office of Public Instruction	Indian Ed for All Tribal History - Biennial OTO	475,000
Department of Corrections	MSP One Time Only Supplies OTO	496,503
Fish, Wildlife, and Parks	Fisheries Statewide Wildlife Grants	500,000
Department of Justice	Major Litigation - OTO	500,000
Fish, Wildlife, and Parks	State Wildlife Grants (SWG)	500,000
Department of Environmental Quality	Swift Gulch drainage system OTO/BIE	500,000
Dept. of Natural Resources/Conservation	Woody Biomass Utilization Program - OTO	500,000
Public Health and Human Services	Ombudsman Funding-Warm Hearts/Homes - OTO	600,000
Public Health and Human Services	Family Planning Waiver Implementation - OTO	695,966
Fish, Wildlife, and Parks	Governor's Free Fishing - square deal OTO	782,460
Department of Revenue	Reappraisal - GIS Staff-OTO	804,094
Department of Revenue	Fulfill Statutory Responsibilities	804,700
Commissioner of Higher Education	Coordinate and Enhance Distant Learning - OTO	900,000
Department of Military Affairs	DMA - Military Family Relief Fund	1,000,000
Dept. of Natural Resources/Conservation	Fire Fighting Equipment - Rst/Bien/OTO	1,000,000
Public Health and Human Services	Methamphetamine Prevention - OTO	1,000,000
Commissioner of Higher Education	Research Agencies Equipment - OTO	1,000,000
Department of Revenue	Tax litigation - Department of Revenue	1,000,000
Department of Administration	PERS Defined Contribution Transfer OTO	1,384,000
Montana Arts Council	Cultural trust finish loan repayment and \$1 million additional balance	1,500,000
Commissioner of Higher Education	Wrkfce Train. in High Demand Fields MUS & CC -OTO	1,500,000
Commissioner of Higher Education	Improve Transferability and Student Data OTO	1,545,000
Department of Commerce	BRD Tribal Economic Development HB0002 - OTO	1,597,044
Department of Environmental Quality	Business Process Improvement OTO	1,800,000
Department of Environmental Quality	Accelerated Remediation Selected CECRA Sites OTO	2,000,000
Department of Commerce	BRD - Biomedical Research Grant - Bien/OTO	2,000,000
Department of Environmental Quality	Enhanced reclamation and remediation	2,000,000
Commissioner of Higher Education	Equip and Tech in High Demand Fields MUS & CC OTO	2,000,000
Public Health and Human Services	Low Income Energy Assist. Prgm OTO	2,000,000
Department of Corrections	Interoperable Communication Project - OTO	2,622,424
Department of Transportation	Lawsuit on surface transportation	3,000,000
Department of Justice	Major Litigation - Wyoming (OTO)	3,000,000
Department of Commerce	HD Manufactured Home Renovation Program - OTO	3,104,244
Department of Administration	Public Safety Radio-Interoperability MT FundingOTO	3,500,000
Judiciary	Information Technology - Rst/Bien/OTO	3,935,000
Department of Administration	Statewide E 911 Network (OTO Biennial)	4,000,000
Department of Agriculture	Noxious Weed Trust Fund OTO	5,000,000
Department of Administration	Public Safety Radio-Consortium Funding (OTO Bien)	5,000,000
Department of Revenue	Free Electronic Filing	5,319,975
Department of Administration	DOA - Supercomputer challenge grant	7,000,000
Department of Administration	Crime lab purchase	7,750,000
Department of Administration	Network Expansion/OTO	7,823,000
Department of Commerce	BRD New Worker Training HB0002- OTO	7,994,811
Department of Revenue	Property tax reserve fund	14,500,000
Fish, Wildlife, and Parks	FWP Purchasing fishing access/rustic parks	15,000,000
Department of Administration	DOA Data Center (+ \$4 million capitol land grant FY 2007- FY 2010)	20,500,000
Department of Revenue	Tax rebate - water tax ongoing reserve fund	21,000,000
Dept. of Natural Resources/Conservation	Emergency approps	25,000,000
Department of Administration	MUS Gaines Hall	28,500,000
Department of Administration	HHS IT bill - bring HHS upto biennial level	30,214,000
Department of Administration	Deferred Maintenance	38,000,000
Department of Revenue	Tax rebate - property	97,934,000
Department of Administration	TRS/PERS buy down liability	100,000,000
Grand Total		499,570,371

Our budget requires several bills to fully enact; bills containing general fund appropriations include the following:

Bills not in HB2, but Included in the Governor's Budget		
Bill	FY 2008	FY 2009
Long Range Building Cash Program		
Buildings	\$50.88	\$50.88
Parks	15.00	
Pay Plan	20.15	38.46
Cultural Arts Trust addition	1.50	-
IT Long Range Building Cash Program	25.35	29.12
Surface Transportation Litigation	3.00	-
Emergency Statutory Appropriation Increase	9.00	-
Actuarially Funding the Retirement Systems	114.37	14.97
Military Family Relief	1.00	-
Reclamation and Remediation	2.00	-
Property Tax Cut	97.93	-
Water Tax Cut	21.00	-
Property Tax Reserve Fund	14.50	-
Governor's Fish for Free	0.39	0.39
Other Department bills	2.60	1.68
Totals	\$378.67	\$135.49

Long Range Building Cash Program – Buildings

For a detailed list of all major building projects see page 39.

Long Range Building Cash Program - Parks

Hunting, fishing and camping are as much a part of Montanans' heritage as the mountains, rivers, and plains that shape this state. The ability of citizens to hunt, fish, hike, watch wildlife, and camp must be preserved. Governor Schweitzer proposes spending \$15 million to acquire property that will expand the existing network of state parks and fishing access sites, and provide access to hunting lands. This will ensure tomorrow's Montanans will be able to enjoy the same recreational opportunities as this generation.

Pay Plan

The components of HB13 are contained on page 23. An appropriation of \$58.5 million general fund will be needed to fund this pay plan and enable a zero tuition increase for the Montana University System and Community Colleges.

Cultural Arts Trust – addition

HB 9 will add an additional \$1.5 million into the trust for future generations Arts and Cultural programs.

IT Long Range Building Cash Program

This new long-range building bill will take a large step forward in fully implementing the Montana Information Technology Act (MITA). Nearly all information technology projects in excess of \$2 million are included in this bill. The bill will appropriate the projected costs to completion and not just the amount needed in the 2009 biennium. The general fund component of this investment is \$54.5 million.

Emergency Statutory Appropriation Increase

Wildfires in Montana are inevitable, yet historically these costs have not been recognized in the budget. Governor Schweitzer proposes to increase the statutory appropriation for declared emergencies from its current \$16 million level to \$25 million for a biennium in recognition of these costs.

Actuarial funding the retirement systems

The Governor's budget includes both one-time only and ongoing expenditures for bringing our retirement systems to being actuarially funded and compliant with our constitution. The proposal includes: 1) an additional one-time appropriation of \$100 million from the general fund to the Teacher's Retirement System; 2) reducing the guaranteed annual benefit adjustment from 3% to 1.5% for all new hires and fully funding the remaining actuarial liability with an employer contribution rate increase for all of the Public Employees Retirement systems under the direction of the Public Employee Retirement Division's purview; and 3) implementing a 2.0% increase in TRS employer contribution rate in the 2009 biennium and the remaining 0.38% increase following in the 2011 biennium.

All employer increases for school districts will be paid with a statutory general fund appropriations to avoid any property tax increases.

Military Family Relief

Recognize the extraordinary sacrifices that Montana's National Guard members make when called to active duty by the federal government by creating a \$1 million Military Family Relief Fund.

Property Tax Cut

A \$400 property tax reduction for each Montana resident homeowner

Water Tax Cut

Suspend the water tax imposed on 90,000 Montanans

Governor's Fish for Free

The Administration wants to make it easier for young and old to experience the simple pleasure of casting a line into a meandering stream in hopes for a strike. The proposal makes fishing free for children under 15 and adults over 61, offering grandchildren and grandparents an opportunity to spend a little time together at the end of a fishing rod.

Other Department Bills

Other Department Bills includes bills submitted by the Department of Revenue and the Department of Justice that require additional expenditures.

Supplemental Appropriations for the 2007 Biennium

Several supplemental appropriations are needed to fulfill our obligations of the current 2007 biennium. Each is described following the table:

General Fund Supplementals	
Bill	FY 2007
Department of Corrections	\$27.00
Department of Justice	0.58
Department of Livestock	0.10
Department of Transportation - motor pool	1.33
Wildfires - HB3	25.00
Wildfires - HB10	5.06
Trust Lands Audit recommendation	0.56
Judiciary	2.50
Public Defender	3.30
Public Health and Human Services	11.00
Totals	\$76.43

General Government – Section A

Judicial Branch – The Judicial Branch is requesting a supplemental appropriation for FY2007 in the amount of \$2.5 million. The FY2006 variable cost appropriation was insufficient to fully pay District Court variable cost obligations. Consequently, the Branch moved \$2.5 million forward from the FY 2007 budget to cover the FY 2006 shortfall. A supplemental appropriation of \$2.5 million is necessary to enable the Judicial Branch to meet its financial obligations in FY 2007. The supplemental request includes approximately \$800,000 for funding of payment of unfit to proceed costs and associated costs of court-ordered evaluations. These payments would be made to Department of Public Health and Human Services (DPHHS) who deposit such payments back to the state general fund. Therefore, the amount of the payments made to DPHHS will have no net impact on the state general fund.

Department of Transportation - A permanent transfer of \$1.33 million in cash from the General Fund to the state Motor Pool is requested. This contributed capital is needed to pay for the difference between 2006 and 2007 projected fuel costs at the time the rates were developed and actual costs incurred. This contributed capital will supplement the other recent changes made within the Motor Pool Business Plan, and help maintain the solvency of the fund and program.

Office of the Public Defender - The newly created Office of the Public Defender is estimating a supplemental request of approximately \$3.26 million dollars. This shortfall

can be attributed to three main reasons; 1) use of state hired attorneys rather than contract, 2) one time costs to purchase computers, phone systems, and design and install a case management system, and 3) overlap of contracted attorneys and state attorneys while cases are being transitioned into the new system.

Public Health and Human Services – Section B

Department of Public Health & Human Services - The Administration anticipates a supplemental request of \$11 million for the Department of Public Health and Human Services for fiscal year 2007. The largest drivers of the request: 1) Costs associated with the overcrowding at the Montana State Hospital - \$3 million ; 2) Impact of the Federal Medical Assistance Percentage Change in fiscal year 2007 - \$7 million; and 3) Administrative leave costs at the Montana Developmental Center - \$.7 million. The Department of Public Health and Human Services requested and was granted approval to transfer of up to \$6.1 million general fund from FY 2007 to FY 2006. The final amount transferred was approximately \$2.8 million. It is unclear on the success of mitigation efforts for the \$2.8 million to reduce the effects of this transfer into fiscal year 2007. As well, the final impact of the regulations associated with the Deficit Reduction Act have not been finalized, and this could add additional impact to the department's fiscal year 2007 budget. The department continues to examine ways through reversions to offset the fiscal year 2006 general fund impact and anticipates the final amount will be about \$1 million. Recent reviews of the Medicaid costs in fiscal year have been encouraging and the final amount required for a supplemental may be less if this trend continues.

Natural Resources and Commerce – Section C

Department of Livestock – The supplemental request for the Department of Livestock provides an appropriation of \$97,534 from the general fund to the Meat Inspection program to backfill lost federal funding. The funds will allow the program to continue conducting meat and poultry inspection in FY 2007 to assure clean, wholesome, and properly-labeled meat and poultry products for consumers.

Department of Natural Resources & Conservation – Forestry Division - The supplemental request for the Department of Natural Resources & Conservation totals \$30,062,271 general fund for the 2007 biennium. Of the total, \$5,062,271 is requested in HB 10. This will provide the department funds to restore base operating budgets that were used to fund costs in FY 2006. Without this appropriation, passed early in the session, the department is at risk of not having enough funding to continue current level operations. The remaining \$25 million is included in HB 3. This request includes \$24 million still required to pay the outstanding bills for FY 2007 (summer of 2006 fire season) and \$1 million to cover costs anticipated to be incurred in the 2007 spring fire season. Any funding not required for these purposes will be returned to the general fund.

Department of Natural Resources & Conservation – Trust Lands Division -The Executives recommends a general fund appropriation in HB 3 of \$507,643 to Department of Natural Resources (DNRC) for administration costs charged to the Morrill

Trust and its beneficiary, Montana State University. DNRC will transfer the funds to the trust. The time frame these costs were incurred was from FY 1967 to FY 2002.

In addition, \$52,995 general fund is included in HB 2 to costs of managing the Morrill Trust lands that were paid by other trusts. This transfer will reimburse the other trusts for those costs. Of the \$52,995, \$5 will go to the University of Montana trust, \$12,874 to the Montana State University trust, \$678 to the Montana Tech Trust, \$5,388 to the University of Montana – Western Trust, \$660 to the School for the Deaf & Blind Trust, \$7,502 to the Pine Hills School Trust, and \$25,848 to the Capitol Land Grant Trust. The time frame these costs were incurred was FY 2002 to FY 2003.

These recommendations were made as part of a Legislative Audit of the DNRC. This funding does not concede the legal point that the DNRC compliance with previous and existing state law is unconstitutional. Statutes are deemed to be constitutional unless deemed otherwise by a Montana Court. This issue has yet to be addressed by a court in Montana.

Public Safety and Justice – Section D

Department of Corrections – The Department of Corrections is estimating a shortfall of \$27 million in FY 2007. The department transferred \$11.5 million from FY 2007 to FY 2006 to mitigate a shortfall in the first year of the biennium. The transfer of those funds and projected overruns in FY 2007 related to lack of funding for projected growth, outside medical cost increases, utility costs, and overtime costs are just some of the funding challenges the department is facing.

Department of Justice – The Department of Justice is projecting a shortfall of \$200,000 in both general fund and state special revenue funding. The projected shortfall in the general fund is being caused by an increase in demand for funding in the area of major litigation. The state is involved in a number of lawsuits and these are driving this request. The shortfall in state special revenue funding is being caused by a shortage of funding to pay debt service on the HB261 Motor Vehicle Title and Registration project. This overrun is caused by an increase in draw-downs on the loan and interest rate increases. In addition the bill includes an appropriation of \$375,000 general fund to pay for legal fees of the ACLU as part of the negotiated settlement for the Public Defender lawsuit.

Long Range Building

Overview –

The Long-Range section of the budget contains several programs including:

- Long-Range Building Program
- Cultural & Aesthetic Grants
- Treasure State Endowment Grants to for local infrastructure
- State Building Energy Conservation Program
- Reclamation & Development Grants
- Renewable Resource Grants & Loans
- Consolidated Information Technology Projects

Details of all of these programs are available in the White Budget Book, section F. The following highlights two of these programs, Long-Range Building Program and the Consolidated Information Technology Project bill, as they are areas of significant investment for the 2009 biennium.

Purpose - The Long-Range Building Program (LRBP) was initiated in 1965 to provide funding for construction and maintenance of state buildings. The LRBP was developed in order to present a single, comprehensive and prioritized plan for allocating state resources for capital construction and maintenance of state-owned facilities. Primary statutory authority is Title 17, Chapter 7, part 2, MCA.

Executive Recommendation -

- **Volume 3 of the Governor's 2009 biennium Executive Budget** contains complete descriptions of all recommended projects, which total \$300,484,138, as well as a listing of all LRBP project applications submitted by Agencies for the 2009 biennium. All recommended projects are listed within Table F-2.
- **The 2009 Long Range Building Program is a “Cash and Carry Only” program and no general obligation bonds are proposed.**
- **HB 5** contains \$130,130,000 LRBP, \$53,197,160 state special revenue, \$48,178,978 federal special revenue, and \$68,978,000 other funds for a total of 76 projects and \$300,484,138 in the cash program.
- Highest priorities in the cash recommendations for the 2009 biennium are projects that address safety, major repairs and deferred maintenance.
- The LRBP is the primary source of funding for major repairs and maintenance for two thirds of state-owned buildings, with a combined replacement value exceeding \$1.15 billion. Ongoing funding for the LRBP has diminished over time and currently the level of funding is not sufficient to maintain a reasonable level of major maintenance on state buildings, causing the state’s backlog of deferred maintenance to grow to an estimated \$205 million. An ongoing General Fund Appropriation of \$7.15 million per year is being made to directly address this problem of insufficient ongoing funding for maintenance of state buildings.
- In addition to this ongoing appropriation, a one-time transfer of \$40 million from the General Fund to the Long Range Building Fund is being made to address the State's major repair and maintenance backlog.

- **Major renovation/capital projects in the Governor's 2009 biennium Executive Budget include:**
 - **STEP Program, Montana State Hospital** – This \$5.8 million project will renovate and improve and/or construct facilities within the Warm Springs Campus to accommodate multiple programs necessary for the Department of Corrections and Department of Health & Human Services to provide services and treatments required under their missions. This will allow DOC and DPHHS to develop and share a consistent, evidence based treatment strategy between their two systems for people who have a serious mental illness and/or co-occurring substance use disorder.
 - **Enterprise System Services Centers** – This \$24.15 million project will relocate the State of Montana's primary computer, telecommunications, and printing functions to a secure and appropriate Enterprise Systems Services Center (ESSC) Building, to be located in the greater Capitol Complex area. In addition to the primary System Services Center, this project will construct a remote System Services Center in the eastern portion of Montana to provide operational capacity, redundant facilities to support critical services, accelerated backup processes and enhanced disaster recovery capabilities. These improvements will significantly enhance the security and disaster recovery capability of the State's primary computer facility.
 - **Renovate Gaines Hall, MSU-Bozeman** – Gaines Hall, constructed in the 1960's, houses the Chemistry Department at MSU and is one of the heaviest student-use buildings within the Bozeman campus. This \$28.5 million project will completely renovate the building to modern lab/teaching standards and eliminate deferred maintenance that has accumulated to a level equal to 1/3 of the replacement cost of the building.
 - **Law School Addition, UM-Missoula** – This \$8.5 million project will augment the existing authority and appropriations for renovations and additions to the Law School that are required to meet current accreditation and building code requirements.
- **Major significant projects, continued:**
 - **Purchase Forensic Science Lab Building** – This \$7.75 million project will purchase the Department of Justice's Forensic Science Lab Building located in Missoula, which is currently being leased. The State's analysis of purchase versus continued lease demonstrates that this is a prudent and timely investment for the State of Montana.
 - **Supercomputer Challenge Grant for Butte** – Montana has been offered an opportunity for installation of a supercomputer in Butte by a major computer manufacturer. There is great potential for economic development and enhancement of our Montana University System. If a successful business plan is developed, then the state will grant \$7 million to develop a supercomputer center in Butte.

Since the Last Session –

- The Architecture and Engineering Division has completed construction of the Applied Technology Center at MSU-Northern, a major renovation of the Montana State Prison Dairy, upgrades to the Electrical Distribution System at MSU-Bozeman, boiler upgrades at MT Law Enforcement Academy and UM-Western, and small but significant renovations at Eastern Montana Veterans' Home and Montana State Hospital.
- Construction has started for major additions to the Colleges of Technology at Billings, Great Falls and Helena; is well underway for the Chemistry Research Building at Montana State University; and is nearing completion for the new Journalism Building and Skaggs Building Addition at the University of Montana, and the campus grounds redevelopment at MSU-Northern.
- And in an effort to address the State's significant backlog of deferred maintenance within state-owned facilities, vital and significant major repair and maintenance projects have begun on virtually every governmental campus within the State.

Language Recommendation -

The following language will be included in the introduced version of **HB 5**:

"Fund Transfer. (1) There is transferred from the general fund \$50.875 million in fiscal year 2008 and \$50.875 million in fiscal year 2009 to the long-range building program account in the capital projects fund type for the projects enumerated in [section 2]. (2) There is transferred from the general fund \$15 million in the 2009 biennium to the fish, wildlife and parks capital projects account in the capital projects fund type for the projects enumerated in [section 5]".

Funding -

- See Table F-1 for presentation of the LRBP account revenue estimates for the 2009 biennium.

TABLE F-1

**REVENUE ESTIMATE
LONG-RANGE BUILDING PROGRAM ACCOUNT
PROJECTIONS AS OF NOVEMBER 9, 2006
2009 BIENNIUM**

Estimated Beginning Cash Balance (July 1, 2007)		\$4,605,746
Revenues:		
Cigarette Tax	\$3,885,992	
Coal Severance Tax	9,451,465	
Interest Earnings	3,300,239	
Supervisory Fees	649,336	
DEQ Transfer - Energy Savings	82,365	
General Fund Transfer (Ongoing)	14,300,000	
General Fund Transfer (OTO)	<u>101,750,000</u>	
Total Revenues		<u>133,419,397</u>
Funds Available		138,025,143
Expenditures:		
Operating Costs - A & E Division	(3,415,744)	
Debt Service - 2003G Issue ¹	(3,607,245)	
Debt Service - 2005A Issue ²	(1,022,440)	
Debt Service - 1997B Issue ³	(270,803)	
Debt Service - 1999C Issue ⁴	(854,018)	
Funding Switch ⁵	<u>1,330,000</u>	
Total Expenditures - Excluding Capital Projects		<u>(7,840,250)</u>
Funds Available For Capital Projects		130,184,893
Funding Proposals		
Capital Construction Program - LRBP Projects Only		(130,130,000)
Balance Remaining		<u><u>\$54,893</u></u>

¹ Refunding the 1996D bond issue

² Refunding portions of the 1997B and 1999C bond issues

³ Non-refunded portion of the 1997B bond issue

⁴ Non-refunded portion of the 1999C bond issue

⁵ Funding switch authorized by the 2001 legislature - Montana Session Laws 2001, Chapter 486, Section 11

Table F-2
Long-Range Building Program

Priority	Agency	Project Description	Funding Sources				Total
			LRBP	State Special	Federal Special	Other Funds	
1	DPHHS	Install Generator, MMHNCC	250,000	0	0	0	250,000
2	Statewide	Roof Repairs and Replacements	3,000,000	392,160	68,040	0	3,460,200
3	Statewide	Code/Deferred Maintenance Projects	2,500,000	0	0	0	2,500,000
4	MUS	Code Compliance/Deferred Maintenance, MUS	4,000,000	0	0	0	4,000,000
5	Statewide	Hazardous Materials Abatement	500,000	0	0	0	500,000
6	DOA	Code/Deferred Maintenance Projects, Capitol Complex	0	0	0	550,000	550,000
7	Statewide	Upgrade Fire Protection Systems	500,000	0	0	0	500,000
8	DOA	Fire Protection Measures, Capitol Complex	0	0	0	500,000	500,000
9	MUS	Systems Improvements, MT-Tech COT	925,000	0	0	0	925,000
10	DOC	Housing Unit Upgrades, MT State Prison	1,200,000	0	0	0	1,200,000
11	MSDB	Replace Boiler	600,000	0	0	0	600,000
12	DPHHS	STEP Program Renovations, MSH, Warm Springs	5,800,000	0	0	0	5,800,000
13	MUS	Steam Distribution System Upgrades, Phase 2, UM-Missoula	2,000,000	0	0	1,000,000	3,000,000
14	MUS	Renovate Clapp Building, UM-Missoula	821,000	0	0	0	821,000
15	MUS	Renovate Armory Gym, MSU-Northern	400,000	0	0	3,250,000	3,650,000
16	DPHHS	Renovate/Improve Support Services, MSH	4,500,000	0	0	0	4,500,000
17	MUS	Renovate Main Hall, UM-Western	4,500,000	0	0	0	4,500,000
18	MUS	Renovate McMullen Hall, MSU-Billings	1,924,500	0	0	0	1,924,500
19	DOA	Upgrade State Environmental Laboratory, Helena	1,000,000	0	1,000,000	0	2,000,000
20	DPHHS	Modernize MMHNCC, Lewistown	500,000	0	0	0	500,000
21	Statewide	Repair/Preserve Building Envelopes	1,500,000	0	0	0	1,500,000

Table F-2, continued
Long-Range Building Program

Priority	Agency	Project Description	Funding Sources				Total
			LRBP	State Special	Federal Special	Other Funds	
22	MUS	Stabilize Masonry, MSU-Bozeman	2,600,000	0	0	0	2,600,000
23	Statewide	Campus Infrastructure Projects	1,000,000	0	0	0	1,000,000
24	MUS	Deferred Maintenance & Acquisition, MSU-AES Statewide	400,000	0	0	500,000	900,000
25	MUS	Classroom/Laboratory Upgrades - Montana University System	2,000,000	0	0	0	2,000,000
26	DOA	Mechanical System Improvements, Capitol Complex	0	0	0	1,900,000	1,900,000
27	DNRC	Code/Deferred Maintenance and Small Projects, DNRC Unit Campuses - Statewide	750,000	0	0	0	750,000
28	DOA	Deferred Maintenance, Phase 2, MT Law Enforcement Academy	500,000	0	0	0	500,000
29	Commerce	Maintain Historic Buildings, Virginia & Nevada Cities	3,000,000	0	0	0	3,000,000
30	MUS	Utility Infrastructure Improvements, MSU-Bozeman	500,000	0	0	50,000	550,000
31	DPHHS	Montana Veterans' Home Improvements	0	1,413,000	0	0	1,413,000
32	DPHHS	Improve Campus, MSH - Warm Springs	1,280,000	0	0	0	1,280,000
33	DOA	Enterprise System Services Centers	20,150,000	0	0	4,000,000	24,150,000
34	MUS	Supplement HCOT Expansion	1,350,000	0	0	135,000	1,485,000
35	Statewide	Campus Master Planning	400,000	0	0	250,000	650,000
36	DOC	Expand Work Dorm, MSP	2,500,000	0	0	0	2,500,000
37	MUS	Renovate Gaines Hall, MSU-Bozeman	28,500,000	0	0	0	28,500,000
38	DNRC	Co-Locate DNRC/DEQ, Kalispell	3,500,000	0	0	0	3,500,000
39	DNRC	Consolidate DNRC Divisions, Missoula	2,000,000	0	0	0	2,000,000
40	MUS	Law School Addition, UM - Missoula	3,450,000	0	0	5,050,000	8,500,000

Table F-2, continued
Long-Range Building Program

Priority	Agency	Project Description	Funding Sources				Total
			LRBP	State Special	Federal Special	Other Funds	
41	DOC	Expand Food Service Capacity, MSP	1,637,000	0	0	293,000	1,930,000
42	Justice	Purchase Forensic Science Lab Building	7,750,000	0	0	0	7,750,000
43	Statewide	Challenge Grant for Super Computer, UM-MT Tech	7,000,000	0	0	7,000,000	14,000,000
44	DMA	Readiness Center, Miles City	2,480,000	0	7,510,970	0	9,990,970
45	DMA	Armed Forces Reserve Center, Missoula	0	0	30,903,968	0	30,903,968
46	DMA	Construct Female Showers and Latrines	290,000	0	290,000	0	580,000
47	DMA	Montana State Veterans' Cemetary Expansion	0	0	1,206,000	0	1,206,000
48	DMA	DES Mobile Command Post	172,500	0	0	0	172,500
49	DMA	Federal Spending Authority	0	0	2,000,000	0	2,000,000
50	MDT	Statewide Maint. Repair & Small Projects	0	2,300,000	0	0	2,300,000
51	MDT	Equipment Storage Buildings, Statewide	0	2,700,000	0	0	2,700,000
52	MDT	US Highway 93 Projects	0	26,000,000	0	0	26,000,000
53	DNRC	Bridge Replacement/Repair	0	750,000	0	0	750,000
54	DNRC	Building Addition - Billings Oil and Gas Office	0	750,000	0	0	750,000
55	MUS	Increase Authority - Museum of the Rockies, MSU-Bozeman	0	0	0	3,500,000	3,500,000
56	MUS	School of Education Building, UM-Missoula	0	0	0	7,500,000	7,500,000
57	MUS	HHP Physiological and Nutritional Lab, UM-Missoula	0	0	0	4,500,000	4,500,000
58	MUS	New Parking Structure, UM-Missoula	0	0	0	5,000,000	5,000,000
59	MUS	General Spending Authority, MSU-All Campuses	0	0	0	5,000,000	5,000,000
60	MUS	General Spending Authority, UM-All Campuses	0	0	0	4,000,000	4,000,000
61	FWP	Future Fisheries	0	1,314,000	0	0	1,314,000
62	FWP	FAS Acquisition	0	460,000	100,000	0	560,000

Consolidated Information Technology Projects

Purpose –

LC 712 represents a significant change in the method of funding large information technology (IT) investments in a number of important respects.

First, the bill is structured similar to the long range building program to recognize that IT investments provide critical infrastructure, much like an office building or dam - for the provision of state services, the conduct of state government affairs and to allow citizens to more fully participate in decision making. Building IT systems can be as complex as building a new office building. Significant planning, design and management efforts are necessary for a successful project. LC 712 removes the time pressure that can result in hasty decisions and poorly performing projects by providing continuing budget authority.

Second, the structure of the bill reinforces the authority and statutory responsibilities of the state chief information officer established in the Montana Information Technology Act (MITA). Most of the appropriations contained in the bill are made to the state chief information officer (CIO) through the Department of Administration. By directly controlling the appropriations, the CIO can establish project benchmarks that must be completed before additional funds are released. This helps ensure projects are managed effectively to maximize success and creates greater partnerships between agencies and the state CIO.

Finally, a goal of the bill is to give the legislature and policy makers a broad vision of information technology in state government as all major investments will be focused on in one bill.

Background - Consistent with the Montana Information Technology Act (MITA) the Executive recommends the establishment of a long-range building bill that contains the major information technology systems proposed in the next legislature. LC712 contains most agency information technology projects in excess of \$2 million are contained in the bill rather than traditional HB2 funding.

Executive Recommendation –

The following provides a brief description of the IT projects included in LC 712:

Department of Public Health and Human Services:

Replace current Child and Adult Protective Services System

The Child Protective Services (CAPS) system is an automated social services information system covering all major program areas of child protection, juvenile corrections and probation. CAPS is significantly outdated and many functions are currently being performed outside the system, causing inconsistencies, and leaving room for errors. The new system will provide accurate and timely assistance to Montanans. Total cost of this system will be \$27,150,000, 56 percent general fund and 44 percent federal funds.

Replace current Food Stamp and TANF Eligibility Systems (currently TEAMS serves both)

The Economic Assistance Management System (TEAMS) is significantly outdated and does not meet the needs of the users. Currently many of the eligibility functions are performed manually on spreadsheets outside the system by the eligibility workers, leaving room for errors and inconsistency. The new system will improve service to clients, allow changes and enhancements to be made quickly and at a lower cost and will produce more accurate and efficient Federal reporting. Total cost of the TANF system will be \$16.2 million; 47 percent general fund and 53 percent federal funds. Total cost of the Food Stamp system will be \$13.1 million; 50 percent general fund and 50 percent federal funds.

Update Medicaid Disease Codes

ICD-10 is the new procedure and diagnosis code set for Medicaid Management Information System for federal coding and reporting that will completely replace the current system known as the International Classification of Diseases-9-Clinical Modification (ICD-9-CM) Implementation of ICD-10 is mandated by the federal Medicaid Agency (CMS). Total cost will be \$3 million, with 90 percent of funding coming from the federal government.

CHIMES

CHIMES is the new Medicaid eligibility determination system which replaces the Medicaid functionality in the current TEAMS system. Medicaid is the first of the three eligibility determination modules in TEAMS (Medicaid/TANF/Food Stamps) to be replaced. CHIMES will be nearing completion by July 1, 2007. This request for \$1.1 million (50 percent general fund, 50 percent federal funds) is for the funding required to bring CHIMES to completion.

Department of Administration:

Northern Tier Network Expansion – The Information Technology Services Division is requesting an appropriation of \$7,823,000 general fund to expand of the state's SummitNet network to provide greater capacity for voice, video and data traffic. The project consists of two major initiatives. The Northern Tier portion provides funding for the equipment and maintenance needed to light two high capacity fiber optic lines through the I-90 corridor with drop-off points in major Montana cities on the route. The project is part of a national consortium's efforts to create a high-speed network from Seattle to Chicago using donated dark fiber throughout the route.

The second initiative funds a number of improvements to the existing SummitNet network. The funding is to establish a redundant Core Network Infrastructure (foundation) that provides multiple failover points in the network to ensure connectivity of critical services, to upgrade the Capitol Complex Fiber backbone to support high speed, fault tolerant services between buildings on the Complex and to upgrade the services and bandwidth to remote offices throughout the state.

Statewide E911 Network - The Information Technology Services Division is requesting an appropriation of \$4,000,000 general fund to support the multi-year build-out of the statewide E9-1-1 network and the continued development of a state-of-the-art 9-1-1

system. The funding request will be used to provide wireless public safety position determining equipment on the Statewide Network in order to provide the location of 9-1-1 calls made from wireless devices and to provide four additional Public Safety Answering Points.

Public Safety Radio Consortium -- The Information Technology Services Division is requesting a general fund appropriation of \$5,000,000 to support the multi-year build-out of the Interoperability Montana wireless public safety radio system. The funding will permit additional expansion of key public safety radio sites throughout the state and provide limited equipment for local law enforcement, fire and EMS to use the networked communication system. The funding will also provide State "maintenance of effort" funding to help ensure future federal project support.

Public Safety Radio Interoperability MT -- The Information Technology Services Division is requesting a one-time-only general fund appropriation of \$3,500,000 in FY 2009 to support the deployment of a second, redundant controller and transmission system for the Interoperability Montana wireless public safety radio system. The funding will permit the purchase of additional controlling infrastructure to be placed in the eastern portion of Montana to serve as a backup to main controller in Helena. In addition, digital microwave infrastructure needed to connect the two controllers will be upgraded to meet the needs of this equipment.

Judicial Branch:

Court Technology Improvements

This proposal seeks funding to continue the Judicial Branch's efforts to modernize Montana courts in a manner that meets the unique needs of the Judicial Branch while at the same time conforms to State of Montana information technology standards. This \$3,935,000 general fund will provide court technology improvement projects: case management improvements and court room technology improvements. This project relies heavily on the State's telecommunications network - SummitNet II and the State's document and content management system "FileNet." These costs are included in the proposal.

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation						712,700,594	710,462,145
Commissioner of Political Practices						487,846	405,986
ADMINISTRATION						487,846	405,986
Ongoing						364,508	359,411
Base adjusted for fixed costs and inflation						348,508	343,411
General Fund						348,508	343,411
NP2 Auditing of campaign finance and lobbying reports						16,000	16,000
General Fund						16,000	16,000
OTO						123,338	46,575
NP1 Campaign Filing, Lobbyist/Principal Systems OTO						123,338	46,575
General Fund						123,338	46,575
Consumer Counsel						1,486,461	1,500,977
ADMINISTRATION PROGRAM						1,486,461	1,500,977
Ongoing						1,486,461	1,500,977
Base adjusted for fixed costs and inflation						1,229,121	1,230,391
State Special Fund						1,229,121	1,230,391
PL1 Present Law Base Adjustments						257,340	270,586
State Special Fund						257,340	270,586
Department of Administration						31,048,224	28,514,904
ADMIN FINANCIAL SERV DIVISION						3,328,216	1,831,441
Ongoing						1,874,216	1,831,441
Base adjusted for fixed costs and inflation						1,844,769	1,810,651
General Fund						1,706,269	1,672,062
State Special Fund						1,587	1,587
Federal Fund						87,293	87,333
Proprietary						49,620	49,669
PL302 Burial Board						12,000	12,000
General Fund						12,000	12,000
PL303 Labor Relations 0.25 FTE attorney and rent						(4,343)	(4,322)
General Fund						(4,343)	(4,322)
PL305 Presidential Electors Travel						0	1,000
General Fund						0	1,000
PL307 Laptop Computer Replacement						10,000	0
General Fund						10,000	0
PL309 Local Government Services Travel						4,000	4,000
General Fund						4,000	4,000
PL311 Allocate department indirect /administrative costs						7,790	8,112
General Fund						7,790	8,112
OTO						1,454,000	0
NP301 PERS Defined Contribution Transfer OTO						1,384,000	0
General Fund						1,384,000	0
PL308 SABHRS Readiness Assessment (Biennial/OTO)						70,000	0
General Fund						70,000	0
ARCHITECTURE & ENGINEERING PGM						8,853,620	8,862,124
Ongoing						8,853,620	8,862,124
Base adjusted for fixed costs and inflation						1,359,154	1,367,404
State Special Fund						1,359,154	1,367,404
NP312 Contracted Services Expanded Long Range Building						340,000	340,000
State Special Fund						340,000	340,000
NP413 Deferred Maintenance Funding						7,150,000	7,150,000
General Fund						7,150,000	7,150,000
PL311 Allocate Department indirect/administrative costs						4,466	4,720
State Special Fund						4,466	4,720

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
Department of Administration							
BANKING AND FINANCIAL DIVISION						3,401,697	3,507,695
Ongoing						3,401,697	3,507,695
Base adjusted for fixed costs and inflation						3,064,039	3,069,992
					State Special Fund	3,064,039	3,069,992
NP1403 License Mortgage Lenders						159,942	196,674
					State Special Fund	159,942	196,674
PL1401 Fund professional career ladder program						104,175	208,350
					State Special Fund	104,175	208,350
PL1404 Rent increase for Billings office						35,130	29,730
					State Special Fund	35,130	29,730
PL1405 E-Licensing						36,000	0
					State Special Fund	36,000	0
PL1406 Lease van from Dept of Transportation Motor Pool						5,385	5,385
					State Special Fund	5,385	5,385
PL311 Allocate Department indirect/administrative costs						(2,974)	(2,436)
					State Special Fund	(2,974)	(2,436)
GENERAL SERVICES PROGRAM						2,729,339	2,824,901
Ongoing						2,729,339	2,824,901
Base adjusted for fixed costs and inflation						2,451,010	2,546,082
					General Fund	2,451,010	2,546,082
NP602 Funding Switch for 0.10 FTE in the Procard Program						16,079	16,091
					State Special Fund	16,079	16,091
NP604 Funding Switch for 0.20 FTE in the Procurement Bur						8,634	8,642
					General Fund	8,634	8,642
NP606 Funding Switch for 0.60 FTE in the Fueling Program						50,715	50,834
					State Special Fund	50,715	50,834
NP610 Litigation Program/Restricted						50,000	50,000
					State Special Fund	50,000	50,000
NP614 Computer Surplus Disposal Program						149,854	150,057
					State Special Fund	149,854	150,057
PL311 Allocate Department indirect/administrative costs						3,047	3,195
					General Fund	3,047	3,195
GOVERNOR ELECT PROGRAM						0	50,000
Ongoing						0	50,000
PL201 Governor-elect appropriation						0	50,000
					General Fund	0	50,000
HEALTH CARE & BENEFITS DIVISION						429,039	422,794
Ongoing						429,039	422,794
Base adjusted for fixed costs and inflation						32,232	32,232
					State Special Fund	32,232	32,232
NP2111 Centralize Workers' Compensation Cost Containment						387,690	379,679
					General Fund	387,690	379,679
PL2108 Daycare Pilot Program & Lease Rate						9,117	10,883
					State Special Fund	9,117	10,883
INFORMATION TECH SERV DIVISION						3,027,057	2,021,742
Ongoing						2,827,057	2,021,742
Base adjusted for fixed costs and inflation						936,507	934,865
					General Fund	645,244	644,047
					State Special Fund	291,263	290,818
					Federal Fund	0	0

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
Department of Administration							
				NP710 Geographic Coordinate Database (Bien)		800,000	0
					Federal Fund	800,000	0
				PL311 Allocate Department indirect/administrative costs		6,325	6,405
					General Fund	(1,767)	(1,726)
					State Special Fund	8,092	8,131
				PL740 GIS Funding Switch for 3.00 FTE		1,084,225	1,080,472
					State Special Fund	1,084,225	1,080,472
		OTO				200,000	0
				NP737 Earthquake Protection Enterprise Data Center-OTO		200,000	0
					General Fund	200,000	0
MONTANA STATE LOTTERY						7,588,428	7,497,295
		Ongoing				7,588,428	7,497,295
				Base adjusted for fixed costs and inflation		7,569,071	7,473,600
					Proprietary	7,569,071	7,473,600
				PL1501 Commission Per Diem		1,250	1,250
					Proprietary	1,250	1,250
				PL1502 Shipping Charges		14,000	14,000
					Proprietary	14,000	14,000
				PL1503 Rent		7,600	11,400
					Proprietary	7,600	11,400
				PL311 Allocate Department indirect/administrative costs		(3,493)	(2,955)
					Proprietary	(3,493)	(2,955)
STATE PERSONNEL DIVISION						1,297,442	1,101,073
		Ongoing				1,097,442	1,101,073
				Base adjusted for fixed costs and inflation		1,038,560	1,044,621
					General Fund	1,038,560	1,044,621
				PL2304 Maintenance Agreement-eBenefits/Policy Module		27,500	27,500
					General Fund	27,500	27,500
				PL2305 Transfer 0.25 FTE Attorney to Labor Relations		(21,411)	(21,432)
					General Fund	(21,411)	(21,432)
				PL2314 HRSS Request for Additional 1.00 FTE		45,378	42,744
					General Fund	45,378	42,744
				PL311 Allocate Department indirect/administrative costs		7,415	7,640
					General Fund	7,415	7,640
		OTO				200,000	0
				PL2301 SABHRS Readiness Assessment (Biennial/OTO)		200,000	0
					General Fund	200,000	0
STATE TAX APPEAL BOARD						393,386	395,839
		Ongoing				393,386	395,839
				Base adjusted for fixed costs and inflation		343,717	346,038
					General Fund	343,717	346,038
				NP3701 STAB 1.0 FTE		47,823	47,864
					General Fund	47,823	47,864
				PL311 Allocate Department indirect/administrative costs		1,846	1,937
					General Fund	1,846	1,937
Department of Revenue						53,793,810	54,551,155
BUSINESS AND INCOME TAXES DIVISION						9,835,890	10,267,547
		Ongoing				9,733,840	10,228,297
				Base adjusted for fixed costs and inflation		7,299,659	7,336,111
					General Fund	6,853,819	6,883,181
					State Special Fund	236,355	243,445
					Federal Fund	209,485	209,485

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
Department of Revenue							
				PL7012 Tax Gap Analysis		374,942	375,557
					General Fund	374,942	375,557
				PL7019 Compliance - Audit & Collections		1,944,560	2,401,950
					General Fund	1,781,044	2,249,937
					State Special Fund	163,516	152,013
				PL7020 Federal Royalty Audit Program		62,532	62,532
					Federal Fund	62,532	62,532
				PL7022 Child Support Debt Collection Costs		52,147	52,147
					General Fund	52,147	52,147
			OTO			102,050	39,250
				PL7012 Tax Gap Analysis		23,550	0
					General Fund	23,550	0
				PL7019 Compliance - Audit & Collections		78,500	39,250
					General Fund	78,500	39,250
				CITIZEN SERVICES & RESOURCE MGMT		2,012,128	2,015,042
			Ongoing			2,008,203	2,015,042
				Base adjusted for fixed costs and inflation		1,836,585	1,843,333
					General Fund	1,685,667	1,690,615
					State Special Fund	106,785	108,585
					Proprietary	44,133	44,133
				PL7013 Citizen Services		171,618	171,709
					General Fund	171,618	171,709
			OTO			3,925	0
				PL7013 Citizen Services		3,925	0
					General Fund	3,925	0
				DIRECTORS OFFICE		6,501,597	5,747,679
			Ongoing			5,798,347	5,622,679
				Base adjusted for fixed costs and inflation		4,029,444	3,861,213
					General Fund	3,949,573	3,782,142
					Federal Fund	800	0
					Proprietary	79,071	79,071
				PL1011 Fulfill Statutory Responsibilities		835,138	830,873
					General Fund	770,774	770,333
					Proprietary	64,364	60,540
				PL701 Compliance - Legal		933,765	930,593
					General Fund	848,478	849,107
					State Special Fund	85,287	81,486
			OTO			703,250	125,000
				PL1011 Fulfill Statutory Responsibilities		679,700	125,000
					General Fund	679,700	125,000
				PL701 Compliance - Legal		23,550	0
					General Fund	23,550	0
				INFORMATION TECHNOLOGY & PROCESSING		15,056,500	16,148,389
			Ongoing			12,794,856	13,090,058
				Base adjusted for fixed costs and inflation		7,978,731	7,998,237
					General Fund	7,581,588	7,599,321
					State Special Fund	209,122	210,895
					Federal Fund	92,400	92,400
					Proprietary	95,621	95,621
				NP202 Free Electronic Filing		636,260	865,169
					General Fund	636,260	865,169

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
Department of Revenue							
				PL201 On-going System Costs		3,917,344	3,934,692
					General Fund	3,702,344	3,874,692
					State Special Fund	175,400	20,400
					Federal Fund	39,600	39,600
				PL7015 Processing Returns & Refunds		262,521	291,960
					General Fund	262,521	291,960
		OTO				2,261,644	3,058,331
				NP202 Free Electronic Filing		2,261,644	3,058,331
					General Fund	2,261,644	3,058,331
	LIQUOR CONTROL DIVISION					1,876,792	1,867,076
		Ongoing				1,876,792	1,867,076
				Base adjusted for fixed costs and inflation		1,729,232	1,736,035
					Proprietary	1,729,232	1,736,035
				NP301 Liquor System Reforms		147,560	131,041
					Proprietary	147,560	131,041
	PROPERTY ASSESSMENT DIVISION					18,510,903	18,505,422
		Ongoing				17,821,108	18,265,523
				Base adjusted for fixed costs and inflation		16,434,650	16,503,809
					General Fund	16,384,650	16,453,809
					State Special Fund	50,000	50,000
				PL8012 Maintain Parcel Count Caseload		1,072,596	1,414,760
					General Fund	1,072,596	1,414,760
				PL8021 PAD Field Office Rent		313,862	346,954
					General Fund	313,862	346,954
		OTO				689,795	239,899
				PL8012 Maintain Parcel Count Caseload		94,200	31,400
					General Fund	94,200	31,400
				PL802 Reappraisal - GIS Staff-OTO		595,595	208,499
					General Fund	595,595	208,499
	Department of Transportation					532,287,752	534,042,586
	AERONAUTICS PROGRAM					4,615,941	1,334,916
		Ongoing				4,615,941	1,334,916
				Base adjusted for fixed costs and inflation		404,178	408,996
					State Special Fund	332,335	337,125
					Federal Fund	71,843	71,871
				PL4004 Lincoln Airport Development		315,000	0
					State Special Fund	14,994	0
					Federal Fund	300,006	0
				PL4005 Overtime/Differential		5,274	5,274
					State Special Fund	5,274	5,274
				PL4006 Program/Service Cost Adjustments		23,692	48,599
					State Special Fund	23,724	48,631
					Federal Fund	(32)	(32)
				PL4007 Aircraft Loan		23,000	23,000
					State Special Fund	23,000	23,000
				PL4010 Biennial Appropriation Adjustments		705,690	(602,310)
					State Special Fund	705,690	(602,310)
				PL4011 Statewide Plan Update		260,410	(39,590)
					State Special Fund	13,020	(1,980)
					Federal Fund	247,390	(37,610)
				PL4012 Federal Portion of Proprietary		1,387,750	0
					Federal Fund	1,387,750	0

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
		Department of Transportation					
				PL4013 Accounting Adjustment		1,090,947	1,090,947
					State Special Fund	1,090,947	1,090,947
				PL4014 Aeronautic Loans		400,000	400,000
					State Special Fund	400,000	400,000
		CONSTRUCTION PROGRAM					
		Ongoing					
				Base adjusted for fixed costs and inflation		345,085,360	345,366,917
					State Special Fund	96,403,013	92,512,853
					Federal Fund	248,682,347	252,854,064
				PL201 Contractor Payments/Federal Aid Construction Prog		32,867,832	37,867,832
					State Special Fund	4,752,267	4,695,861
					Federal Fund	28,115,565	33,171,971
				PL202 Contractor Payments/State Construction Program		(11,267,261)	(11,267,261)
					State Special Fund	(11,267,261)	(11,267,261)
				PL203 Construction Management FTE Adjustments		(1,758,359)	(3,609,581)
					Federal Fund	(1,758,359)	(3,609,581)
				PL208 Overtime/Differential		4,308,782	4,308,782
					State Special Fund	2,308,645	2,325,450
					Federal Fund	2,000,137	1,983,332
				PL209 Equipment Rental		627,045	502,969
					State Special Fund	117,759	86,460
					Federal Fund	509,286	416,509
				PL210 Program Reductions		(481,817)	(831,817)
					State Special Fund	(90,485)	(142,989)
					Federal Fund	(391,332)	(688,828)
				PL211 Training Reductions		(251,879)	(251,879)
					State Special Fund	(251,879)	(251,879)
		OTO					
				NP207 Highway Traffic Safety Section-408 - OTO		999,713	999,783
					State Special Fund	208,040	208,055
					Federal Fund	791,673	791,728
		GENERAL OPERATIONS PROGRAM					
		Ongoing					
				Base adjusted for fixed costs and inflation		23,232,203	23,242,321
					State Special Fund	22,376,712	22,381,793
					Federal Fund	855,491	860,528
				PL1101 Overtime/Differential		56,544	56,544
					State Special Fund	56,544	56,544
				PL1102 Equipment Rental		11,865	10,025
					State Special Fund	11,865	10,025
				PL1302 Training Program		540,238	540,238
					Federal Fund	540,238	540,238
				PL1401 Software Upgrade		51,000	0
					State Special Fund	51,000	0
				PL1403 Reorganization Implementation		5,000	5,000
					State Special Fund	5,000	5,000
				PL1407 Motor Fuels System Enhancements		15,000	10,000
					Federal Fund	15,000	10,000
				PL1502 ACS Contract - Restricted		234,449	256,151
					State Special Fund	234,449	256,151

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
Department of Transportation							
				PL1503 Convert Modified FTE to Permanent		(500,000)	(500,000)
				State Special Fund		(500,000)	(500,000)
				PL1508 IT Cost Reductions		(173,003)	(173,003)
				State Special Fund		(173,003)	(173,003)
				PL1509 IT Equipment Replacement		(79,789)	540,911
				State Special Fund		(79,789)	540,911
				PL1510 Software Cost Reduction		(97,220)	(107,220)
				State Special Fund		(97,220)	(107,220)
				PL1511 Print Shop Reduction		(18,760)	(18,760)
				State Special Fund		(18,760)	(18,760)
				PL1512 IT Maintenance Costs		155,642	163,940
				State Special Fund		155,642	163,940
MAINTENANCE PROGRAM						107,484,883	107,242,550
Ongoing						107,484,883	107,242,550
				Base adjusted for fixed costs and inflation		103,477,418	103,898,243
				State Special Fund		97,052,443	97,473,268
				Federal Fund		6,424,975	6,424,975
				NP306 Facility Costs		183,894	189,764
				State Special Fund		183,894	189,764
				PL301 Additional Secondary Roads		618,280	608,072
				State Special Fund		618,280	608,072
				PL305 Communications Replacements		127,710	127,710
				State Special Fund		127,710	127,710
				PL307 Contracted Maintenance		69,803	69,803
				State Special Fund		69,803	69,803
				PL308 Land Purchases		100,000	100,000
				State Special Fund		100,000	100,000
				PL313 Overtime/Differential		2,054,453	2,054,453
				State Special Fund		2,054,453	2,054,453
				PL314 Equipment Rental		3,329,455	2,670,635
				State Special Fund		3,329,455	2,670,635
				PL315 Pavement Markings		1,112,507	1,112,507
				State Special Fund		246,972	246,972
				Federal Fund		865,535	865,535
				PL316 RWIS System Maintenance		77,328	77,328
				State Special Fund		77,328	77,328
				PL317 Noxious Weed Control		236,015	236,015
				State Special Fund		236,015	236,015
				PL318 Travelers Information Program		52,328	52,328
				Federal Fund		52,328	52,328
				PL319 State Special Revenue Funding Reduction		(4,000,000)	(4,000,000)
				State Special Fund		(4,000,000)	(4,000,000)
				PL320 Training		45,692	45,692
				State Special Fund		45,692	45,692
MOTOR CARRIER SERVICES DIV.						8,469,044	9,467,498
Ongoing						8,469,044	9,467,498
				Base adjusted for fixed costs and inflation		7,475,233	7,501,859
				State Special Fund		5,992,165	6,018,657
				Federal Fund		1,483,068	1,483,202

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
Department of Transportation							
				NP2204 Unified Carrier Registration		0	979,990
					Federal Fund	0	979,990
				PL2201 MCSAP Grants		191,166	191,166
					State Special Fund	26,763	26,763
					Federal Fund	164,403	164,403
				PL2203 Dietz Joint Port		550,750	550,750
					State Special Fund	550,750	550,750
				PL2206 Overtime/Differential		97,095	97,095
					State Special Fund	83,502	83,502
					Federal Fund	13,593	13,593
				PL2207 Equipment Rental		41,249	33,087
					State Special Fund	41,249	33,087
				PL2208 Credit Card Fee Increase		18,000	18,000
					State Special Fund	18,000	18,000
				PL2209 Enforcement Capital Purchases		53,986	53,986
					State Special Fund	53,986	53,986
				PL2210 IRP Dues Increase		4,600	4,600
					State Special Fund	4,600	4,600
				PL2211 Pilot Move Trailer		7,250	7,250
					State Special Fund	7,250	7,250
				PL2212 Officer Clothing Allowance		37,365	37,365
					State Special Fund	37,365	37,365
				PL2213 Training Reduction		(7,650)	(7,650)
					State Special Fund	(7,650)	(7,650)
				TRANSPORTATION PLANNING DIVISI		18,155,299	18,885,730
				Ongoing		18,155,299	18,885,730
				Base adjusted for fixed costs and inflation		9,893,637	9,902,484
					State Special Fund	2,904,856	3,011,824
					Federal Fund	6,988,781	6,890,660
				NP5001 Rail, Transit & Planning FTE		238,279	238,490
					State Special Fund	47,656	47,698
					Federal Fund	190,623	190,792
				NP5004 Corridor Studies		500,000	500,000
					State Special Fund	100,000	100,000
					Federal Fund	400,000	400,000
				NP5005 Passage of SAFETEA-LU act FTA		6,372,115	7,092,875
					State Special Fund	1,252,276	1,396,566
					Federal Fund	5,119,839	5,696,309
				NP5006 Safe Routes to School		419,000	425,000
					Federal Fund	419,000	425,000
				PL5002 Overtime/Differential		23,239	23,239
					State Special Fund	6,330	6,330
					Federal Fund	16,909	16,909
				PL5003 Equipment Rental		27,233	21,846
					State Special Fund	8,046	6,455
					Federal Fund	19,187	15,391
				PL5007 State Transit Assistance		381,988	381,988
					State Special Fund	381,988	381,988
				PL5008 Statewide Urban Planning Update		330,986	330,986
					State Special Fund	74,301	74,301
					Federal Fund	256,685	256,685

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
		Department of Transportation					
				PL5009 Training Reduction		(31,178)	(31,178)
					State Special Fund	(31,178)	(31,178)
	Governor's Office					6,687,157	6,266,648
		AIR TRANSPORTATION PROGRAM					
			Ongoing			724,872	296,357
				Base adjusted for fixed costs and inflation		295,872	296,357
					General Fund	289,072	289,557
					State Special Fund	6,800	6,800
		OTO				429,000	0
				PL9 Aircraft Engine Overhaul Contingency OTO		429,000	0
					General Fund	429,000	0
	CENTRALIZED SERVICES DIVISION					361,905	346,684
			Ongoing			361,905	346,684
				Base adjusted for fixed costs and inflation		274,573	240,630
					General Fund	274,573	240,630
				NP4 Additional IT Support for Governor's Office		70,232	70,254
					General Fund	70,232	70,254
				PL2 Computer Replacement		17,100	35,800
					General Fund	17,100	35,800
	CITIZENS' ADVOCATE OFFICE					89,675	89,844
			Ongoing			89,675	89,844
				Base adjusted for fixed costs and inflation		89,675	89,844
					General Fund	68,675	68,844
					Federal Fund	21,000	21,000
				PL9 Funding Switch from Federal to State Special Reven		0	0
					State Special Fund	21,000	21,000
					Federal Fund	(21,000)	(21,000)
	COORDINATOR OF INDIAN AFFAIRS					152,012	152,534
			Ongoing			152,012	152,534
				Base adjusted for fixed costs and inflation		152,012	152,534
					General Fund	152,012	152,534
	EXECUTIVE OFFICE PROGRAM					3,013,770	3,026,849
			Ongoing			2,998,770	3,011,849
				Base adjusted for fixed costs and inflation		2,409,336	2,422,340
					General Fund	2,409,336	2,422,340
				NP101 Federal Relations Office		299,970	300,041
					General Fund	299,970	300,041
				NP7 Student Intern Executive Office		9,682	9,686
					General Fund	9,682	9,686
				PL1 Marketing Montana and Business Recruitment		373,695	373,695
					General Fund	373,695	373,695
				PL5 Executive Protection Reduction		(93,913)	(93,913)
					General Fund	(93,913)	(93,913)
		OTO				15,000	15,000
				PL6 Governor's Office OTO Partial Reauthorization		15,000	15,000
					General Fund	15,000	15,000
	GOVERNOR'S RESIDENCE OPERATIONS					119,461	120,191
			Ongoing			94,461	95,191
				Base adjusted for fixed costs and inflation		94,461	95,191
					General Fund	94,461	95,191
		OTO				25,000	25,000
				PL3 Re-authorize Governor's Residence OTO Appropriatio		25,000	25,000
					General Fund	25,000	25,000

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
Governor's Office							
		LIEUTENANT GOVERNOR'S OFFICE				322,314	323,812
		Ongoing				322,314	323,812
		Base adjusted for fixed costs and inflation				322,314	323,812
				General Fund		322,314	323,812
		MENTAL DISABILITIES BD VISITRS				352,465	354,088
		Ongoing				352,465	354,088
		Base adjusted for fixed costs and inflation				352,465	354,088
				General Fund		352,465	354,088
		OFC BUDGET & PROGRAM PLANNING				1,550,683	1,556,289
		Ongoing				1,550,683	1,556,289
		Base adjusted for fixed costs and inflation				1,541,001	1,534,103
				General Fund		1,541,001	1,534,103
		NP8 Student Intern OBPP				9,682	9,686
				General Fund		9,682	9,686
		PL1 OBPP Session Costs				0	12,500
				General Fund		0	12,500
Judiciary						34,469,308	34,291,296
		BOARDS AND COMMISSIONS				326,854	302,261
		Ongoing				326,854	302,261
		Base adjusted for fixed costs and inflation				303,889	304,297
				General Fund		278,883	279,291
				State Special Fund		25,006	25,006
		PL2002 Judicial Standards Restricted/Bienn. Appropriation				22,965	(2,036)
				General Fund		22,965	(2,036)
		CLERK OF COURT				417,922	419,705
		Ongoing				417,922	419,705
		Base adjusted for fixed costs and inflation				417,922	419,705
				General Fund		417,922	419,705
		DISTRICT COURT OPERATIONS				23,333,330	23,090,614
		Ongoing				23,033,330	23,090,614
		Base adjusted for fixed costs and inflation				32,049,251	32,105,905
				General Fund		31,918,707	31,975,361
				State Special Fund		130,544	130,544
		NP4010 Judicial Support and Youth Probation Staff				162,424	163,054
				General Fund		162,424	163,054
		NP4011 Replace State Special for funding from counties				122,903	122,903
				State Special Fund		122,903	122,903
		PL4008 Psychological Exams and Related Costs				200,000	200,000
				General Fund		200,000	200,000
		PL4009 Variable cost base adjustment				(9,501,248)	(9,501,248)
				General Fund		(9,501,248)	(9,501,248)
		OTO				300,000	0
		NP4005 District Court Safety and Security Proposal - OTO				300,000	0
				General Fund		300,000	0
		LAW LIBRARY				846,721	870,328
		Ongoing				846,721	870,328
		Base adjusted for fixed costs and inflation				846,721	870,328
				General Fund		846,721	870,328
		SUPREME COURT OPERATIONS				8,191,618	8,252,314
		Ongoing				8,191,618	8,252,314
		Base adjusted for fixed costs and inflation				7,610,704	7,676,949
				General Fund		7,331,234	7,397,042
				State Special Fund		110,042	110,042
				Federal Fund		169,428	169,865

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
	Judiciary						
				NP1001 Appellate Mediator		119,334	113,949
					General Fund	119,334	113,949
				NP1004 Pro Se Law Clerk		56,534	53,979
					General Fund	56,534	53,979
				NP1006 CASA Federal Grant		(44,199)	(44,230)
					Federal Fund	(44,199)	(44,230)
				NP1007 CASA Funding Stabilization		185,600	185,600
					General Fund	185,600	185,600
				PL1005 Rent Federal Building		2,922	5,344
					General Fund	2,771	5,100
					Federal Fund	151	244
				PL1007 IT Software Maintenance		260,723	260,723
					General Fund	260,723	260,723
				WATER COURTS SUPERVISION		1,352,863	1,356,074
				Ongoing		1,352,863	1,356,074
				Base adjusted for fixed costs and inflation		1,321,777	1,322,750
					State Special Fund	1,321,777	1,322,750
				PL5001 Water Court Rent Increase		31,086	33,324
					State Special Fund	31,086	33,324
	Legislative Branch					12,023,180	11,583,106
		AUDIT & EXAMINATION				3,820,439	3,829,526
		Ongoing				3,820,439	3,829,526
				Base adjusted for fixed costs and inflation		3,817,484	3,831,071
					General Fund	2,165,850	2,250,118
					State Special Fund	1,651,634	1,580,953
				PL13 Program Operations, Audit & Examination Program		2,955	(1,545)
					General Fund	3,958	(476)
					State Special Fund	(1,003)	(1,069)
		FISCAL ANALYSIS & REVIEW				1,461,220	1,506,834
		Ongoing				1,461,220	1,506,834
				Base adjusted for fixed costs and inflation		1,461,220	1,461,834
					General Fund	1,461,220	1,461,834
				PL12 Program Operations, Analysis & Review Program		0	45,000
					General Fund	0	45,000
		LEGIS. COMMITTEES & ACTIVITIES				610,854	383,678
		Ongoing				610,854	383,678
				Base adjusted for fixed costs and inflation		390,829	315,169
					General Fund	390,829	315,169
				NP10 Participation, River Governance		8,670	8,671
					General Fund	8,670	8,671
				NP7 Participation, Nat'l Conf of State Legislatures		14,248	14,248
					General Fund	14,248	14,248
				NP8 Participation & Dues, Council of State Govt.		91,177	94,303
					General Fund	91,177	94,303
				NP9 Participation, Pacific NW Econ Region		20,538	20,539
					General Fund	20,538	20,539
				PL6 Program Operations, Committees & Activities Prg		85,392	(69,252)
					General Fund	85,392	(69,252)

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
		LEGISLATIVE SERVICES DIVISION				6,130,667	5,863,068
		<u>Ongoing</u>				6,130,667	5,863,068
		<u>Base adjusted for fixed costs and inflation</u>				5,720,803	5,836,429
				General Fund		4,894,877	5,225,253
				State Special Fund		825,926	611,176
		<u>NP2 Network Technician FTE/Contracted Srv Reduction</u>				(26,393)	(26,353)
				General Fund		(26,393)	(26,353)
		<u>NP3 Computer Security FTE/Contracted Srv Reduction</u>				(436)	74,624
				General Fund		(436)	74,624
		<u>NP4 Technology Allowance for Legislators</u>				135,000	0
				General Fund		135,000	0
		<u>NP5 Legislative Information Officer FTE</u>				63,605	59,651
				General Fund		63,605	59,651
		<u>PL1 Program Operations, Legislative Services Division</u>				238,088	(81,283)
				General Fund		199,348	192,834
				State Special Fund		38,740	(274,117)
	Montana Consensus Council					192,108	193,183
	MT CONSENSUS COUNCIL					192,108	193,183
		<u>Ongoing</u>				192,108	193,183
		<u>Base adjusted for fixed costs and inflation</u>				192,108	193,183
				General Fund		75,632	76,507
				State Special Fund		116,476	116,676
	Public Defender					19,270,625	19,174,124
	APPELLATE DEFENDER OFFICE					574,400	575,454
		<u>Ongoing</u>				574,400	575,454
		<u>Base adjusted for fixed costs and inflation</u>				199,543	199,770
				General Fund		199,543	199,770
		<u>PL101 Appellate Defender Funding Annualization</u>				374,857	375,684
				General Fund		374,857	375,684
	PUBLIC DEFENDER OFFICE					18,696,225	18,598,670
		<u>Ongoing</u>				18,696,225	18,598,670
		<u>Base adjusted for fixed costs and inflation</u>				5,958,532	5,915,028
				General Fund		5,958,532	5,915,028
		<u>NP104 Fitness to Proceed and Related Costs</u>				200,000	200,000
				General Fund		200,000	200,000
		<u>NP105 Misc. State Special Revenue Funding</u>				75,000	75,000
				State Special Fund		75,000	75,000
		<u>PL101 Office of Public Defender Funding Annualization</u>				10,712,693	10,658,642
				General Fund		10,712,693	10,658,642
		<u>PL102 Adjustment for Increase in Caseload</u>				1,750,000	1,750,000
				General Fund		1,750,000	1,750,000
	Public Service Commission					3,153,855	3,070,960
	PUBLIC SERVICE REGULATION PROG					3,153,855	3,070,960
		<u>Ongoing</u>				3,153,855	3,070,960
		<u>Base adjusted for fixed costs and inflation</u>				3,047,139	3,033,158
				State Special Fund		3,032,738	3,018,757
				Federal Fund		14,401	14,401
		<u>PL1 Pay Retirement Benefits</u>				72,128	0
				State Special Fund		72,128	0
		<u>PL2 Match Pipeline Safety Federal Award</u>				14,000	14,000
				State Special Fund		8,400	8,400
				Federal Fund		5,600	5,600
		<u>PL4 Building Rent/Computer Replacement</u>				17,932	21,146
				State Special Fund		17,932	21,146

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
A - General Government and Transportation							
		Public Service Commission					
				PL5 Maintain Membership in NRRI		2,656	2,656
					State Special Fund	2,656	2,656
	Secretary of State					1,040,000	0
		BUSINESS & GOVERNMENT SERVICES					0
		Ongoing					0
				NP4 Help America Vote Act-Biennial		1,040,000	0
					Federal Fund	1,040,000	0
	State Auditor's Office					16,760,268	16,867,220
		CENTRAL MANAGEMENT					640,156
		Ongoing					640,156
				Base adjusted for fixed costs and inflation		642,307	638,537
					State Special Fund	642,307	638,537
				PL1 Annual Rent Increase		1,069	1,619
					State Special Fund	1,069	1,619
		INSURANCE					15,417,504
		Ongoing					15,417,504
				Base adjusted for fixed costs and inflation		6,295,351	6,285,022
					State Special Fund	6,295,351	6,285,022
				NP101 MCHA Additional Funding		250,958	352,399
					State Special Fund	250,958	352,399
				NP102 Insure Montana Additional Funding		1,000,000	1,000,000
					State Special Fund	1,000,000	1,000,000
				PL1 Annual Rent Increase		6,175	9,355
					State Special Fund	6,175	9,355
				PL2 Insure Montana FTE		54,462	51,098
					State Special Fund	54,462	51,098
				PL3 Additional Office Space		8,852	9,028
					State Special Fund	8,852	9,028
				PL4 Licensing FTE		42,844	39,525
					State Special Fund	42,844	39,525
				PL5 Insure Montana Annualization		7,433,218	7,436,406
					State Special Fund	7,433,218	7,436,406
				PL6 Contract Examinations (RST)		212,336	234,671
					State Special Fund	212,336	234,671
		SECURITIES					809,560
		Ongoing					809,560
				Base adjusted for fixed costs and inflation		748,078	743,708
					State Special Fund	748,078	743,708
				PL1 Annual Rent Increase		1,425	2,159
					State Special Fund	1,425	2,159
				PL2 Contract Examinations		63,193	63,693
					State Special Fund	63,193	63,693

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services						1,476,580,093	1,533,301,456
Public Health and Human Services						1,476,580,093	1,533,301,456
ADDICTIVE & MENTAL DISORDERS						117,509,070	123,070,059
Ongoing						117,509,070	122,070,059
Base adjusted for fixed costs and inflation						92,232,177	92,568,917
General Fund						45,462,196	45,724,942
State Special Fund						8,794,014	8,839,168
Federal Fund						37,975,967	38,004,807
NP33104 Behavioral Health Program Facilitator						79,484	79,574
State Special Fund						79,484	79,574
NP33203 Meth & CD Regional Services Expansion						2,000,000	2,000,000
General Fund						2,000,000	2,000,000
NP33206 Strategic Prevention Framework Incentive Grant						2,332,000	2,332,000
Federal Fund						2,332,000	2,332,000
NP33304 MCDC Staff (Modified and Other)						340,906	344,518
State Special Fund						340,906	344,518
NP33407 Fund 72 hr Community Crisis Support						2,032,770	2,032,770
General Fund						1,861,245	1,860,334
Federal Fund						171,525	172,436
NP33410 Mental Health Community Services Development						585,226	535,165
General Fund						585,226	535,165
NP33413 Federal Data Infrastructure Grant						142,200	142,200
Federal Fund						142,200	142,200
NP33506 Secure Treatment & Examination Program						832,316	3,028,740
General Fund						832,316	3,380,803
State Special Fund						0	(352,063)
NP33701 Provider Rate Increases						1,325,409	1,432,436
General Fund						281,480	282,251
State Special Fund						327,689	362,087
Federal Fund						716,240	788,098
PL33101 AMDD Operations Present Law Adjustments						48,000	54,000
General Fund						23,708	26,671
State Special Fund						4,631	5,211
Federal Fund						19,661	22,118
PL33201 Medicaid FMAP - Chemical Dependency						0	0
State Special Fund						24,944	26,178
Federal Fund						(24,944)	(26,178)
PL33202 CD Medicaid Caseload Adjustment						553,597	621,586
State Special Fund						173,774	195,738
Federal Fund						379,823	425,848
PL33301 MCDC OT/Diff/Holiday Pay & Aggregate FTE Funding						117,959	120,750
State Special Fund						117,959	120,750
PL33302 MCDC Present Law Adjustments						81,707	126,670
State Special Fund						81,707	126,670
PL33401 Medicaid FMAP - Mental Health						0	0
General Fund						670,404	703,781
Federal Fund						(670,404)	(703,781)
PL33402 Medicaid Caseload Adjustment - Mental Health						6,048,754	7,468,031
General Fund						1,777,713	2,213,180
State Special Fund						87,812	87,812
Federal Fund						4,183,229	5,167,039
PL33414 Annualize HCBS Waiver						4,215,750	4,215,750
State Special Fund						1,323,324	1,327,540
Federal Fund						2,892,426	2,888,210

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services							
ADDICTIVE & MENTAL DISORDERS							
				PL33501 MSH OT/Diff/Holiday Pay & Aggregate FTE Funding		1,692,249	1,720,533
				General Fund		1,684,211	1,720,533
				State Special Fund		8,038	0
				PL33502 MSH Present Law Adjustments		496,987	783,347
				General Fund		496,987	783,347
				PL33503 MSH 36.6 Modified FTE		1,668,572	1,683,031
				General Fund		1,668,572	1,683,031
				PL33601 MMHNCC OT/Diff/Holiday Pay & Aggregate FTE Funding		495,861	507,504
				General Fund		495,861	507,504
				PL33602 MMHNCC Present Law Adjustments		187,146	272,537
				General Fund		187,146	272,537
		OTO				0	1,000,000
				NP33204 Methamphetamine Prevention - OTO		0	1,000,000
				General Fund		0	1,000,000
BUSINESS & FINANCIAL SERVICES DIVISION						9,130,077	8,762,270
		Ongoing				9,130,077	8,762,270
				Base adjusted for fixed costs and inflation		9,130,077	8,762,270
				General Fund		3,760,917	3,604,860
				State Special Fund		916,031	906,310
				Federal Fund		4,453,129	4,251,100
CHILD & FAMILY SERVICES						64,742,542	68,579,548
		Ongoing				64,742,542	68,579,548
				Base adjusted for fixed costs and inflation		56,671,946	56,732,452
				General Fund		25,851,102	25,882,804
				State Special Fund		2,126,331	2,126,332
				Federal Fund		28,694,513	28,723,316
				NP30003 Federal Law Change - TCM		0	0
				General Fund		1,800,000	1,800,000
				Federal Fund		(1,800,000)	(1,800,000)
				NP30008 Federal Law change regarding kin care providers		0	0
				General Fund		86,000	86,000
				Federal Fund		(86,000)	(86,000)
				NP30010 Additional Field Staff		745,268	980,721
				General Fund		447,161	588,433
				Federal Fund		298,107	392,288
				NP30014 Expansion of SSI Program		88,116	88,206
				General Fund		(202,260)	(202,194)
				State Special Fund		266,787	266,787
				Federal Fund		23,589	23,613
				NP30015 Convert Modified In-home FTE to permanent		2,685	2,761
				General Fund		(27,601)	(27,601)
				Federal Fund		30,286	30,362
				NP30501 Provider Rate Increases		575,556	575,556
				General Fund		385,623	385,623
				Federal Fund		189,933	189,933
				NP30903 Therapeutic group Homes/Family Foster Care		500,000	500,000
				General Fund		500,000	500,000
				PL30001 Foster Care Caseload Increase		3,089,565	5,391,789
				General Fund		2,070,009	3,612,499
				Federal Fund		1,019,556	1,779,290
				PL30002 Subsidized Adoption Caseload Increase		2,327,388	3,513,520
				General Fund		879,753	1,328,111
				Federal Fund		1,447,635	2,185,409

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services							
CHILD & FAMILY SERVICES							
				<u>PL30004 FMAP Changes</u>		0	0
					General Fund	383,116	467,670
					Federal Fund	(383,116)	(467,670)
				<u>PL30005 Mental Health Case Management-SW Caseload Increase</u>		250,000	250,000
					General Fund	187,500	187,500
					Federal Fund	62,500	62,500
				<u>PL30006 CFSD Overtime</u>		206,859	206,859
					General Fund	124,021	124,021
					Federal Fund	82,838	82,838
				<u>PL30007 CFSD Rent Increases</u>		198,038	250,563
					General Fund	118,823	150,338
					Federal Fund	79,215	100,225
				<u>PL30016 Replacement computers/servers and other equipment</u>		87,121	87,121
					General Fund	52,273	52,273
					Federal Fund	34,848	34,848
				CHILD SUPPORT ENFORCEMENT		10,390,663	10,434,666
				<u>Ongoing</u>		10,390,663	10,434,666
				<u>Base adjusted for fixed costs and inflation</u>		10,092,796	10,127,409
					General Fund	1,604,067	1,609,198
					State Special Fund	1,827,485	1,834,121
					Federal Fund	6,661,244	6,684,090
				<u>NP50001 Child Support Enforcement General Fund</u>		0	0
					General Fund	99,718	102,782
					State Special Fund	(99,718)	(102,782)
				<u>NP50002 Child Support Deficit Reduction Act</u>		0	0
					General Fund	1,620,765	2,154,589
					Federal Fund	(1,620,765)	(2,154,589)
				<u>NP50005 CSED - Replacement of DRA Fee</u>		187,025	187,025
					General Fund	187,025	187,025
				<u>PL50004 Child Support Enforcement Rent Increase</u>		110,842	120,232
					General Fund	37,686	40,879
					Federal Fund	73,156	79,353
				DIRECTOR'S OFFICE		25,445,539	24,672,501
				<u>Ongoing</u>		24,645,539	24,672,501
				<u>Base adjusted for fixed costs and inflation</u>		9,718,059	9,744,947
					General Fund	2,918,017	2,928,499
					State Special Fund	313,243	315,248
					Federal Fund	6,486,799	6,501,200
				<u>NP40010 Agency Telecommunications</u>		(100,000)	(100,000)
					General Fund	(50,000)	(50,000)
					Federal Fund	(50,000)	(50,000)
				<u>PL40006 Health Insurance Flexibility Accountability Waiver</u>		15,027,480	15,027,554
					Federal Fund	15,027,480	15,027,554
				OTO		800,000	0
				<u>NP40004 MMIS and Mental Health Systems Analysis (BIEN/OTO)</u>		800,000	0
					General Fund	200,000	0
					Federal Fund	600,000	0
				DISABILITY SERVICES DIVISION		146,189,206	149,245,268
				<u>Ongoing</u>		146,189,206	149,245,268
				<u>Base adjusted for fixed costs and inflation</u>		127,595,240	127,752,985
					General Fund	45,996,928	46,118,661
					State Special Fund	1,477,675	1,478,170
					Federal Fund	80,120,637	80,156,154
				<u>NP10009 Montana Youth Leadership Forum (MYLF)</u>		50,000	50,000
					General Fund	50,000	50,000

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services							
DISABILITY SERVICES DIVISION							
				NP10010 DD Wait List Reduction		4,654,963	6,787,744
					General Fund	1,664,117	2,347,665
					Federal Fund	2,990,846	4,440,079
				NP10011 DD Rate Rebasing		8,169,675	9,840,515
					General Fund	1,582,172	1,814,413
					State Special Fund	1,717,826	2,185,587
					Federal Fund	4,869,677	5,840,515
				NP10016 DD Crisis Funding - Restores OTO		120,000	120,000
					General Fund	120,000	120,000
				NP10018 MTAP new technologies (BIEN)		1,065,000	0
					State Special Fund	1,065,000	0
				NP10021 Developmental Disabilities Program - Fed Authority		1,000,000	1,000,000
					Federal Fund	1,000,000	1,000,000
				NP10026 VR Transition Counselor		55,283	51,884
					General Fund	55,283	51,884
				NP10501 Provider Rate Increases		267,093	267,093
					General Fund	267,093	267,093
				PL10001 Adjust I-149 Funding		0	0
					General Fund	(475,001)	(475,001)
					State Special Fund	475,001	475,001
				PL10002 FMAP Adjustment		0	0
					General Fund	1,398,752	1,540,649
					Federal Fund	(1,398,752)	(1,540,649)
				PL10003 Annualization of Community Services Cost Plans		2,366,542	2,366,542
					General Fund	695,174	701,609
					Federal Fund	1,671,368	1,664,933
				PL10004 MDC Base Adjustments		439,448	449,601
					General Fund	439,448	449,601
				PL10005 DSD Rent for non-state facilities		24,185	40,640
					General Fund	5,587	10,366
					State Special Fund	2,510	3,195
					Federal Fund	16,088	27,079
				PL10007 Disability Determination Services Base Adjustments		157,521	238,241
					Federal Fund	157,521	238,241
				PL10008 VR Tuition Increases		208,256	264,023
					General Fund	44,359	56,237
					Federal Fund	163,897	207,786
				PL10020 Health Services Accounts		16,000	16,000
					State Special Fund	16,000	16,000
HEALTH RESOURCES DIVISION						546,892,864	584,016,436
				Ongoing		543,801,271	580,926,098
				Base adjusted for fixed costs and inflation		457,098,779	457,119,618
					General Fund	100,301,176	100,314,230
					State Special Fund	24,258,686	24,355,481
					Federal Fund	332,538,917	332,449,907
				NP11011 Dental Access		3,042,370	3,032,709
					General Fund	400,000	400,000
					State Special Fund	555,000	555,000
					Federal Fund	2,087,370	2,077,709
				NP11012 Hospital Utilization Fee		2,479,533	3,685,405
					State Special Fund	1,506,249	1,926,174
					Federal Fund	973,284	1,759,231

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services							
HEALTH RESOURCES DIVISION							
				NP11013 CHIP Self Administration		5,638,031	5,638,031
					State Special Fund	1,236,420	1,246,569
					Federal Fund	4,401,611	4,391,462
				NP11501 Provider Rate Increases		5,228,856	5,228,856
					State Special Fund	1,641,338	1,646,566
					Federal Fund	3,587,518	3,582,290
				NP11901 System of Care Sustainability		200,000	200,000
					General Fund	200,000	200,000
				PL11001 Medicaid Caseload		28,975,589	50,841,000
					General Fund	7,378,133	12,881,323
					Federal Fund	21,597,456	37,959,677
				PL11002 Medicaid Caseload - Children's Mental Health		9,239,977	13,950,712
					General Fund	2,900,429	4,393,079
					Federal Fund	6,339,548	9,557,633
				PL11003 Medicare Buy - In Caseload		2,459,396	5,161,880
					General Fund	772,004	1,625,476
					Federal Fund	1,687,392	3,536,404
				PL11004 Medicaid Breast & Cervical Cancer		719,289	1,337,709
					General Fund	157,740	295,767
					Federal Fund	561,549	1,041,942
				PL11005 FMAP MATCH Rate for FY2008/FY2009		0	0
					General Fund	7,070,145	7,411,883
					Federal Fund	(7,070,145)	(7,411,883)
				PL11006 CHIP FMAP Match Rate		0	0
					State Special Fund	313,283	350,424
					Federal Fund	(313,283)	(350,424)
				PL11007 Medicaid Tobacco Portion -I-149		8,764,537	8,736,705
					General Fund	(200,000)	(200,000)
					State Special Fund	2,951,188	2,951,188
					Federal Fund	6,013,349	5,985,517
				PL11008 Big Sky Rx Base Adjustment		7,645,589	7,642,731
					State Special Fund	7,645,589	7,642,731
				PL11009 CHIP Enrollment		3,137,449	3,137,449
					General Fund	(262,626)	(269,432)
					State Special Fund	611,166	523,952
					Federal Fund	2,788,909	2,882,929
				PL11010 Indian Health Services Caseload		1,542,878	5,960,281
					Federal Fund	1,542,878	5,960,281
				PL11025 Rural Health & Fed Qualified Health Centers		230,523	503,427
					General Fund	72,361	158,529
					Federal Fund	158,162	344,898
				PL11028 Phased-down State Contribution Adjustment		7,148,475	8,499,585
					General Fund	7,148,475	8,499,585
				PL11031 CMH - Direct Care Wage Biennial		0	0
					State Special Fund	198,404	0
					Federal Fund	(198,404)	0
				PL11040 Hospital Cost Reports		250,000	250,000
					General Fund	125,000	125,000
					Federal Fund	125,000	125,000
				OTO		3,091,593	3,090,338
				NP11038 Family Planning Waiver Implementation - OTO		3,091,593	3,090,338
					General Fund	348,297	347,669
					Federal Fund	2,743,296	2,742,669

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services							
		HUMAN AND COMMUNITY SERVICES				229,204,860	234,660,924
		Ongoing				225,304,860	234,360,924
		Base adjusted for fixed costs and inflation				200,737,363	200,817,642
				General Fund		27,600,176	27,665,078
				State Special Fund		1,058,524	1,058,802
				Federal Fund		172,078,663	172,093,762
		NP20002 Tri-state housing grant for people with AIDS (Bien				966,000	0
				Federal Fund		966,000	0
		NP20004 Homeless Management Information Syst (HMIS) grant				66,980	66,980
				Federal Fund		66,980	66,980
		NP20006 Childcare for Working Caretaker Relative				683,784	683,784
				Federal Fund		683,784	683,784
		NP20020 TANF Cash Benefit Increase				2,228,983	2,228,983
				Federal Fund		2,228,983	2,228,983
		NP20022 Individual Development Account (IDA) Biennial Appr				200,000	200,000
				General Fund		200,000	200,000
		NP20023 Restructuring Blackfeet Tribal Plan				1,135,170	1,135,170
				Federal Fund		1,135,170	1,135,170
		NP20907 Child Care Funding Swap for PSF				0	0
				General Fund		(99,983)	(104,543)
				State Special Fund		99,983	104,543
		PL20005 Intergov'tal Human Services Bureau(IHSB) PL Adjust				2,919,645	2,919,645
				State Special Fund		237,624	237,624
				Federal Fund		2,682,021	2,682,021
		PL20008 HCSD Rental Increases for Adm. and County OPA's				408,705	470,168
				General Fund		189,272	218,089
				Federal Fund		219,433	252,079
		PL20009 Child & Adult Care Food Program Historical PL				400,000	606,000
				Federal Fund		400,000	606,000
		PL20012 Child Care Discretionary Present Law Adj				2,006,171	2,006,171
				Federal Fund		2,006,171	2,006,171
		PL20016 Child Care FPI, Market Rate, Caseload Inc				1,741,650	2,428,000
				General Fund		1,741,650	2,428,000
		PL20019 Food Stamp Benefits				11,810,409	20,798,381
				Federal Fund		11,810,409	20,798,381
		OTO				3,900,000	300,000
		NP20001 Energy Assist/Conservation (BIEN/OTO)				1,600,000	0
				Federal Fund		1,600,000	0
		NP20011 Ombudsman Funding-Warm Hearts/Homes - OTO				300,000	300,000
				General Fund		300,000	300,000
		NP20908 Low Income Energy Assist. Prgm OTO				2,000,000	0
				General Fund		2,000,000	0
		PUBLIC HEALTH & SAFETY DIV.				59,090,847	59,171,313
		Ongoing				58,537,847	59,026,313
		Base adjusted for fixed costs and inflation				54,079,889	54,142,240
				General Fund		2,138,166	2,142,650
				State Special Fund		11,423,623	11,440,955
				Federal Fund		40,518,100	40,558,635
		NP70005 Newborn Screening Follow-Up Program				290,000	290,000
				State Special Fund		290,000	290,000

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services							
PUBLIC HEALTH & SAFETY DIV.							
				NP70007 HIV Treatment Funding Request		150,000	150,000
				General Fund		150,000	150,000
				NP70013 Food Emergency Response Network Grant		50,000	50,000
				Federal Fund		50,000	50,000
				NP70014 Youth Suicide Prevention Program		400,000	400,000
				Federal Fund		400,000	400,000
				NP70016 FCSS Spending Authority For Pool Inspections		60,000	60,000
				State Special Fund		60,000	60,000
				NP70017 FTE Request for MT Breast & Cervical Health Prg		59,080	59,392
				Federal Fund		59,080	59,392
				NP70103 Tobacco Trust Fund Sup for Pblc Hlth Home Visits		200,000	200,000
				State Special Fund		200,000	200,000
				NP70105 Rural Public Health Development Project		75,000	0
				General Fund		75,000	0
				NP70106 Tobacco Prevention Activities		1,370,000	1,370,000
				State Special Fund		1,370,000	1,370,000
				NP70108 Diabetes & Heart Disease Prevention		330,000	830,000
				State Special Fund		330,000	830,000
				PL70011 Increase Spending Authority For Laboratory		130,000	130,000
				State Special Fund		130,000	130,000
				PL70015 Public Health Emergency Preparedness		1,800,000	1,800,000
				Federal Fund		1,800,000	1,800,000
				PL70018 BRFSS Spending Authority Increase		40,000	40,000
				Federal Fund		40,000	40,000
				PL70021 Montana Comprehensive Cancer Control Program MCCCCP		112,000	112,000
				Federal Fund		112,000	112,000
				PL70023 BRFSS-02 Fee Account Continued Spending Authority		65,000	65,000
				State Special Fund		65,000	65,000
				PL70101 Reduce Budget For Enviromental Pub Hlth Tracking		(430,563)	(429,760)
				Federal Fund		(430,563)	(429,760)
				PL70104 Reduce Base Level Funding For Genetics Program		(242,559)	(242,559)
				State Special Fund		(242,559)	(242,559)
			OTO			553,000	145,000
				NP70002 Ongoing Lab Equipment Replace & Maintenance OTO		145,000	145,000
				General Fund		145,000	145,000
				NP70003 WIC IT System Purchase & Modification (BIEN - OTO)		290,000	0
				General Fund		290,000	0
				NP70107 Purchase of Tamiflu - Biennial OTO		118,000	0
				General Fund		118,000	0
				QUALITY ASSURANCE DIVISION		8,194,348	8,230,395
			Ongoing			8,194,348	8,230,395
				Base adjusted for fixed costs and inflation		7,981,578	8,007,742
				General Fund		2,286,585	2,296,974
				State Special Fund		99,252	99,667
				Federal Fund		5,595,741	5,611,101
				PL80002 QAD Rent Increase		34,086	43,969
				General Fund		12,330	15,472
				State Special Fund		222	318
				Federal Fund		21,534	28,179

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services							
QUALITY ASSURANCE DIVISION							
				PL80007 Leased Vehicles (2) For Field Staff		(4,396)	(4,396)
				General Fund		(2,984)	(2,984)
				Federal Fund		(1,412)	(1,412)
				PL80008 Additional Lien and Estate Recovery Costs		183,080	183,080
				State Special Fund		91,540	91,540
				Federal Fund		91,540	91,540
				PL80010 TPL Funding Adjustment		0	0
				General Fund		58,231	58,340
				Federal Fund		(58,231)	(58,340)
SENIOR & LONG-TERM CARE						240,716,159	243,219,035
		Ongoing				240,496,159	243,054,035
				Base adjusted for fixed costs and inflation		220,936,883	221,020,079
				General Fund		46,660,465	46,672,929
				State Special Fund		22,776,718	22,832,410
				Federal Fund		151,499,700	151,514,740
				NP22104 MVH Recruitment and Retention Contingency		0	183,000
				State Special Fund		0	183,000
				NP22105 MVH Special Care Unit Staff		137,862	138,421
				State Special Fund		137,862	138,421
				NP22106 MVH Pharmacy Clerk		22,539	22,685
				State Special Fund		22,539	22,685
				NP22108 Additional Aging Ombudsman Position		47,020	45,362
				Federal Fund		47,020	45,362
				NP22109 Elderly Meal Programs		692,000	692,000
				General Fund		692,000	692,000
				NP22110 Continue Aging In-Home Caregiver Program		600,000	0
				General Fund		600,000	0
				NP22112 Additional SHIP FTE for Aging Services		47,020	45,362
				Federal Fund		47,020	45,362
				NP22119 Waiver Expansion		2,649,055	2,649,055
				General Fund		838,161	850,347
				Federal Fund		1,810,894	1,798,708
				NP22127 SLTC Alzheimer Grant Continuation		290,000	0
				Federal Fund		290,000	0
				NP22239 Adult Protective Services Field Staff		74,698	73,084
				State Special Fund		74,698	73,084
				NP22501 Provider Rate Increases		5,191,535	5,191,539
				General Fund		179,013	179,013
				State Special Fund		1,573,431	1,578,443
				Federal Fund		3,439,091	3,434,083
				NP22904 Personal Needs Increase		128,071	128,438
				State Special Fund		128,071	128,438
				PL22201 SLTC Field Office Rent Adjustment		14,914	24,390
				General Fund		10,909	19,527
				Federal Fund		4,005	4,863
				PL22204 Adult Protective Services Database Maintenance		52,732	52,732
				General Fund		50,886	50,886
				Federal Fund		1,846	1,846
				PL22205 Montana Veterans' Home Expense Adjustments		908,886	916,919
				State Special Fund		908,886	916,919

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services							
SENIOR & LONG-TERM CARE							
				PL22206 Dept of Transportation Cars		23,348	23,807
				General Fund		11,674	11,903
				Federal Fund		11,674	11,904
				PL22207 Annualize Nursing Home Provider Tax		7,901,391	7,788,162
				State Special Fund		2,500,000	2,500,000
				Federal Fund		5,401,391	5,288,162
				PL22208 State Supplement Caseload Increase		24,960	49,920
				General Fund		24,960	49,920
				PL22209 Annualize Waiver Expansion Costs		1,160,354	1,160,354
				General Fund		(419,748)	(406,035)
				State Special Fund		829,669	829,669
				Federal Fund		750,433	736,720
				PL22210 Medicaid Nursing Home FMAP Adj		0	0
				General Fund		2,894,405	3,033,599
				Federal Fund		(2,894,405)	(3,033,599)
				PL22211 Home Based Medicaid FMAP Adj		0	0
				General Fund		578,956	606,220
				Federal Fund		(578,956)	(606,220)
				PL22212 Medicaid Waiver FMAP Adjustment		0	0
				General Fund		491,021	514,859
				Federal Fund		(491,021)	(514,859)
				PL22213 Nursing Home Caseload Adjustment		(4,480,189)	(5,049,143)
				General Fund		(1,417,532)	(1,620,775)
				Federal Fund		(3,062,657)	(3,428,368)
				PL22214 Medicaid Home Based Svs Caseload Adjustment		1,254,373	2,862,769
				General Fund		393,748	901,486
				Federal Fund		860,625	1,961,283
				PL22215 FMAP Change for I-149 NH Provider Increase		0	0
				State Special Fund		111,741	117,192
				Federal Fund		(111,741)	(117,192)
				PL22216 FMAP Change for I-149 Home Based Provider Increase		0	0
				State Special Fund		14,651	15,366
				Federal Fund		(14,651)	(15,366)
				PL22217 FMAP Change for I 1-149 Waiver Provider Rate Inc		0	0
				State Special Fund		12,213	12,809
				Federal Fund		(12,213)	(12,809)
				PL22218 Annualize Nursing Home Direct Care Wage		0	0
				General Fund		(380,933)	(374,182)
				State Special Fund		519,324	476,173
				Federal Fund		(138,391)	(101,991)
				PL22219 FMAP Change - I-149 Home Based Direct Care Wages		0	0
				State Special Fund		34,149	35,815
				Federal Fund		(34,149)	(35,815)
				PL22220 FMAP Change - I-149 Direct Care Wages Med Waiver		0	0
				State Special Fund		6,994	7,336
				Federal Fund		(6,994)	(7,336)
				PL22223 Nursing Home IGT Adjustment		2,568,707	4,785,100
				State Special Fund		977,007	1,733,139
				Federal Fund		1,591,700	3,051,961
				PL22909 Montana Veterans' Home Contingency Fund Line Item		250,000	250,000
				State Special Fund		250,000	250,000

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
B - Public Health and Human Services							
SENIOR & LONG-TERM CARE							
OTO						220,000	165,000
NP22101 EMVH Resident Bus Replacement - OTO						40,000	0
State Special Fund						40,000	0
NP22103 MVH Facility Upgrades- OTO						165,000	165,000
State Special Fund						165,000	165,000
NP22107 EMVH Fire Alarm System - OTO						15,000	0
State Special Fund						15,000	0
TECHNOLOGY SERVICES DIVISION						19,073,918	19,239,041
Ongoing						19,073,918	19,239,041
Base adjusted for fixed costs and inflation						18,829,840	18,994,563
General Fund						7,338,746	7,416,589
State Special Fund						712,886	718,918
Federal Fund						10,778,208	10,859,056
PL90004 CAPS System Facilities Management Increase						110,032	110,032
General Fund						61,618	61,618
Federal Fund						48,414	48,414
PL90007 Ongoing Support for DPHHS Security System						20,000	20,400
General Fund						9,112	9,294
State Special Fund						1,334	1,361
Federal Fund						9,554	9,745
PL90008 On Going Support for CHIMES						114,046	114,046
General Fund						57,023	57,023
Federal Fund						57,023	57,023

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce						272,540,054	243,792,897
Department of Agriculture						19,045,105	14,256,520
AGRICULTURAL DEVELOPMENT DIVISION						4,481,539	4,385,463
Ongoing						4,381,539	4,385,463
Base adjusted for fixed costs and inflation						4,202,935	4,209,200
General Fund						362,297	363,926
State Special Fund						3,472,311	3,476,030
Federal Fund						0	0
Proprietary						368,327	369,244
PL5005 Agriculture In Montana Schools						3,985	3,985
State Special Fund						3,985	3,985
PL5006 Alfalfa Seed Committee						15,175	15,175
State Special Fund						15,175	15,175
PL5007 Montana Agricultural Statistics Services Bulletin						1,018	1,018
State Special Fund						1,018	1,018
PL5008 Federal Marketing Appropriation Authority						25,000	25,000
Federal Fund						25,000	25,000
PL5014 Montana Growth Through Agriculture Act CST						133,426	131,085
State Special Fund						133,426	131,085
OTO						100,000	0
PL5004 Montana State Hail Insurance Database IT/OTO/BIE						100,000	0
Proprietary						100,000	0
AGRICULTURAL SCIENCES DIVISION						13,366,849	8,804,002
Ongoing						8,066,849	8,804,002
Base adjusted for fixed costs and inflation						7,343,224	7,361,551
General Fund						101,341	101,341
State Special Fund						5,426,460	5,442,621
Federal Fund						1,815,423	1,817,589
NP3002 Bovine Spongiform Encephalopathy (BSE)						226,715	177,081
General Fund						226,715	177,081
PL3001 Program 30 Base Budget Adjustments						399,551	757,075
State Special Fund						179,926	147,450
Federal Fund						219,625	609,625
PL3004 Commodity Bureau						38,819	38,850
State Special Fund						38,819	38,850
PL3005 Pesticide Program						58,540	60,309
State Special Fund						58,540	60,309
PL3010 Noxious Weed Trust Fund Grants Increase						0	409,136
State Special Fund						0	409,136
OTO						5,300,000	0
NP3003 Noxious Weed Trust Fund OTO						5,000,000	0
General Fund						5,000,000	0
PL3011 Bozeman Lab Equipment OTO/Biennial						300,000	0
State Special Fund						300,000	0
CENTRALIZED SERVICES DIVISION						1,196,717	1,067,055
Ongoing						1,038,823	1,004,805
Base adjusted for fixed costs and inflation						1,033,823	999,805
General Fund						138,933	105,292
State Special Fund						718,476	718,099
Federal Fund						90,000	90,000
Proprietary						86,414	86,414
PL1501 Program 15 Base Budget Adjustments						5,000	5,000
Federal Fund						5,000	5,000

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
Department of Agriculture							
			OTO			157,894	62,250
				PL1502 E-Government IT-OTO		157,894	62,250
					General Fund	51,894	49,250
					State Special Fund	87,250	0
					Federal Fund	18,000	0
					Proprietary	750	13,000
Department of Commerce							
BUSINESS RESOURCES DIVISION							
			Ongoing			9,067,019	9,065,952
				Base adjusted for fixed costs and inflation		6,814,627	6,812,463
					General Fund	1,819,327	1,822,463
					State Special Fund	231,382	230,000
					Federal Fund	4,763,918	4,760,000
				NP5111 Tribal Economic Development Commission - HB0002		85,657	85,752
					General Fund	85,657	85,752
				PL5109 BRD Administrative Costs Adjustments HB0002		2,166,735	2,167,737
					General Fund	71,547	72,448
					State Special Fund	2,083,310	2,083,409
					Federal Fund	11,878	11,880
			OTO			9,331,074	5,165,965
				NP5112 BRD - Biomedical Research Grant - Bien/OTO		2,000,000	0
					General Fund	2,000,000	0
				PL5101 BRD New Worker Training HB0002- OTO		3,997,361	3,997,450
					General Fund	3,997,361	3,997,450
				PL5103 BRD Main Street HB0002- OTO		123,496	123,548
					General Fund	123,496	123,548
				PL5104 BRD Made In Montana HB0002- OTO		100,000	100,000
					General Fund	100,000	100,000
				PL5105 BRD Tribal Economic Development HB0002 - OTO		798,496	798,548
					General Fund	798,496	798,548
				PL5106 BRD Montana Capital Investment Board HB0002- OTO		296,936	146,419
					General Fund	296,936	73,210
					State Special Fund	0	73,209
				PL5108 BRD Federal Grants Adjustment HB0002- OTO		2,014,785	0
					Federal Fund	2,014,785	0
						18,742,948	7,898,665
COMMUNITY DEVELOPMENT DIVISION							
			Ongoing			18,742,948	7,898,665
				Base adjusted for fixed costs and inflation		7,764,977	7,760,611
					General Fund	250,814	248,932
					State Special Fund	1,287,311	1,287,213
					Federal Fund	6,226,852	6,224,466
				NP6001 CDD Community Technical Assistance Program HB0002		166,026	166,170
					General Fund	166,026	166,170
				PL6002 CDD CDBG Federal Grants Adjustment HB0002		8,839,887	0
					Federal Fund	8,839,887	0
				PL6004 CDD Administrative Costs Adjustments HB0002		1,972,058	(28,116)
					General Fund	1,412	1,351
					State Special Fund	1,969,234	(30,817)
					Federal Fund	1,412	1,350
				DIRECTOR/MANAGEMENT SERVICES		725,646	725,646
			Ongoing			725,646	725,646
				Base adjusted for fixed costs and inflation		625,646	625,646
					Federal Fund	625,646	625,646

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
Department of Commerce							
				PL8105 MSD MCDD Federal Grants Adjustment HB0002		100,000	100,000
					Federal Fund	100,000	100,000
		HOUSING DIVISION				15,883,217	7,641,718
		Ongoing				7,394,442	7,391,311
				Base adjusted for fixed costs and inflation		5,891,672	5,888,537
					Federal Fund	5,891,672	5,888,537
				NP7412 HD Manufactured Home Renovation Program SSR Approp		1,500,000	1,500,000
					State Special Fund	1,500,000	1,500,000
				PL7409 HD Administrative Costs Adjustments HB0002		2,770	2,774
					Federal Fund	2,770	2,774
		OTO				8,488,775	250,407
				NP7411 HD Manufactured Home Renovation Program - OTO		3,053,837	50,407
					General Fund	3,053,837	50,407
				PL7401 HD Federal Grants Adjustment HB0002-OTO		5,434,938	200,000
					Federal Fund	5,434,938	200,000
		MONTANA PROMOTION DIVISION				769,595	750,000
		Ongoing				769,595	750,000
				Base adjusted for fixed costs and inflation		510,355	490,760
					State Special Fund	510,355	490,760
				PL5201 MPD Private Funds & Audit Adjustments HB0002		259,240	259,240
					State Special Fund	259,240	259,240
Department of Environmental Quality						60,393,405	59,574,782
CENTRAL MANAGEMENT PROGRAM						3,253,746	3,064,302
		Ongoing				2,253,746	2,264,302
				Base adjusted for fixed costs and inflation		1,832,588	1,837,100
					General Fund	336,138	336,666
					State Special Fund	1,230,266	1,233,252
					Federal Fund	266,184	267,182
				PL1002 Central Management Operating Adjust		149,795	155,983
					General Fund	38,664	39,583
					State Special Fund	90,439	96,899
					Federal Fund	20,692	19,501
				PL1003 Central Management Information Technology Grants		271,363	271,219
					Federal Fund	271,363	271,219
		OTO				1,000,000	800,000
				PL1001 Business Process Improvement OTO		1,000,000	800,000
					General Fund	1,000,000	800,000
		ENFORCEMENT DIVISION				1,178,971	1,168,918
		Ongoing				1,178,971	1,168,918
				Base adjusted for fixed costs and inflation		1,080,122	1,083,905
					General Fund	428,377	429,878
					State Special Fund	343,369	344,572
					Federal Fund	308,376	309,455
				PL3001 Enforcement Operations Adjustments		21,619	16,645
					General Fund	8,574	6,601
					State Special Fund	6,872	5,292
					Federal Fund	6,173	4,752
				PL3002 Enforcement Division New FTE		77,230	68,368
					General Fund	77,230	68,368
		PERMITTING & COMPLIANCE DIV.				24,557,943	24,090,600
		Ongoing				23,509,505	23,536,850
				Base adjusted for fixed costs and inflation		17,746,622	17,789,439
					General Fund	948,746	950,742
					State Special Fund	11,904,166	11,928,677
					Federal Fund	4,893,710	4,910,020

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
		Department of Environmental Quality					
				NP5013 MFSA/MEPA FTE		75,679	71,865
					State Special Fund	75,679	71,865
				NP5014 Subdivision Review FTE		162,416	159,242
					State Special Fund	162,416	159,242
				NP5020 Coal Bed Methane Compliance Monitoring FTE		250,385	238,127
					Federal Fund	250,385	238,127
				NP5021 METH Staff - Re-Instate FTE		73,927	73,982
					General Fund	73,927	73,982
				PL5001 Oil & Gas Well Registration FTE		286,771	276,343
					State Special Fund	183,451	176,569
					Federal Fund	103,320	99,774
				PL5002 Permitting Major Sources of Air Pollution FTE		75,076	71,922
					State Special Fund	75,076	71,922
				PL5005 Air Pollutant Emission Tracking		75,076	71,922
					State Special Fund	75,076	71,922
				PL5009 PCD Vehicles Owned and Leased		38,157	40,635
					General Fund	2,727	3,026
					State Special Fund	24,875	26,511
					Federal Fund	10,565	11,098
				PL5011 Aerial Reconnaissance in Coal Mine Inspection		7,725	7,800
					State Special Fund	7,725	7,800
				PL5012 Hard Rock & MFSA Projects-RST/BIE		3,061,131	3,091,131
					State Special Fund	1,820,367	1,837,867
					Federal Fund	1,240,764	1,253,264
				PL5017 Subdivision Training IT		51,500	52,000
					State Special Fund	51,500	52,000
				PL5018 Public Water Supply - Kalispell FTE		80,478	77,530
					State Special Fund	40,239	38,765
					Federal Fund	40,239	38,765
				PL5019 Subdivision Grants to Counties		243,000	243,000
					State Special Fund	243,000	243,000
				PL5024 Brownsfields Grant BIEN		119,600	118,450
					Federal Fund	119,600	118,450
				PL5026 Permitting & Compliance Division Base Adjustments		1,161,952	1,153,462
					General Fund	58,878	57,723
					State Special Fund	832,694	827,802
					Federal Fund	270,380	267,937
			OTO			1,048,438	553,750
				NP5029 Swift Gulch Drainage System OTO/BIE		500,000	0
					General Fund	500,000	0
				PL5003 Air Online Compliance Reporting-RST/OTO/BIE		77,250	78,000
					State Special Fund	77,250	78,000
				PL5006 Air Resources Bureau Relocation-RST/OTO/BIE		66,950	67,600
					General Fund	13,390	13,520
					State Special Fund	53,560	54,080
				PL5015 Industrial Wastewater Operator Cert BIE/OTO		33,438	33,750
					State Special Fund	33,438	33,750
				PL5016 High Strength Wastewater Standards BIE/OTO		30,900	31,200
					State Special Fund	30,900	31,200

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
		Department of Environmental Quality					
				PL5027 On-site Wastewater Operator Certification OTO/BIE		82,400	83,200
				State Special Fund		82,400	83,200
				PL5028 Air Regulatory Assistance RST/OTO/BIEN		257,500	260,000
				State Special Fund		257,500	260,000
		PETRO TANK RELEASE COMP. BOARD				671,587	673,873
		Ongoing				671,587	673,873
				Base adjusted for fixed costs and inflation		621,199	622,699
				State Special Fund		621,199	622,699
				PL9001 PTRCB Operations Adjustment		50,388	51,174
				State Special Fund		50,388	51,174
		PLAN.PREVENT. & ASSIST.DIV.				13,543,815	13,349,230
		Ongoing				13,293,815	13,349,230
				Base adjusted for fixed costs and inflation		11,013,989	11,038,915
				General Fund		2,472,424	2,484,629
				State Special Fund		817,217	806,204
				Federal Fund		7,724,348	7,748,082
				NP2001 Annual Maint for Relational Database Mgt System IT		30,000	30,000
				General Fund		30,000	30,000
				NP2006 Restore Energy Planning Functions		160,641	165,922
				General Fund		160,641	165,922
				PL2005 Increase Waste Reduction & Recycling		35,000	35,000
				State Special Fund		35,000	35,000
				PL2009 Wetland Pilot Project FTE		72,401	70,148
				General Fund		18,100	17,537
				Federal Fund		54,301	52,611
				PL2010 PPA Operating Adjustment		1,901,681	1,929,431
				General Fund		314,983	312,293
				State Special Fund		324,611	322,669
				Federal Fund		1,262,087	1,294,469
				PL2013 State Building Energy Conservation FTE		80,103	79,814
				General Fund		80,103	79,814
		OTO				250,000	0
				NP2007 Biofuels Testing - OTO		250,000	0
				General Fund		250,000	0
		REMEDIATION DIVISION				17,187,343	17,227,859
		Ongoing				16,187,343	16,227,859
				Base adjusted for fixed costs and inflation		11,364,144	11,381,079
				State Special Fund		2,677,733	2,682,823
				Federal Fund		8,686,411	8,698,256
				PL4001 Remediation Operations Adjustment		(488,435)	(464,852)
				State Special Fund		(352,039)	(357,047)
				Federal Fund		(136,396)	(107,805)
				PL4002 Bond Sale for state obligations at Superfund sites		2,700,000	2,700,000
				State Special Fund		2,700,000	2,700,000
				PL4003 Hazardous Waste Cleanup Bureau LUST Trust BIE		99,881	99,880
				State Special Fund		99,881	99,880
				PL4004 Mine Waste Cleanup Bureau Beal (BIEN)		95,000	95,000
				State Special Fund		95,000	95,000
				PL4006 Mine Waste Cleanup Bureau Libby Troy (BIEN)		366,753	366,752
				Federal Fund		366,753	366,752
				PL4007 Orphan Share Claims Payments (RST/BIEN)		2,050,000	2,050,000
				State Special Fund		2,050,000	2,050,000

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
Department of Environmental Quality							
			OTO			1,000,000	1,000,000
				PL4008 Accelerated Remediation Selected CECRA Sites OTO		1,000,000	1,000,000
				General Fund		1,000,000	1,000,000
Department of Livestock							
				ANIMAL HEALTH DIVISION		1,462,450	1,491,627
			Ongoing			1,462,450	1,465,627
				Base adjusted for fixed costs and inflation		1,424,286	1,428,212
					State Special Fund	518,764	521,941
					Federal Fund	905,522	906,271
				PL4004 Federal Funding - Bison		31,564	30,815
					Federal Fund	31,564	30,815
				PL4005 Out-of-State Travel		6,600	6,600
					State Special Fund	6,600	6,600
			OTO			0	26,000
				PL4003 Animal Health Division Vehicle Replacement RST/OTO		0	26,000
					State Special Fund	0	26,000
				BRANDS ENFORCEMENT DIVISION		2,958,664	2,943,316
			Ongoing			2,837,952	2,848,604
				Base adjusted for fixed costs and inflation		2,759,783	2,770,435
					State Special Fund	2,759,783	2,770,435
				PL6003 Overtime - Brand Enforcement Division		78,169	78,169
					State Special Fund	78,169	78,169
			OTO			120,712	94,712
				PL6002 Brand Division Vehicle Replacement RST/OTO		120,712	94,712
					State Special Fund	120,712	94,712
				CENTRALIZED SERVICES PROGRAM		2,221,903	2,044,002
			Ongoing			2,221,903	2,044,002
				Base adjusted for fixed costs and inflation		1,852,239	1,826,274
					State Special Fund	1,852,239	1,826,274
				NP1080 Board of Horse Racing Support		250,000	100,000
					General Fund	250,000	100,000
				PL1005 Predator Control Authority Increase		77,675	77,675
					State Special Fund	77,675	77,675
				PL1006 Department wide IT Equipment Replacement RST		6,763	4,683
					State Special Fund	6,763	4,683
				PL1007 Board of Livestock - Per Diem		5,100	5,100
					State Special Fund	5,100	5,100
				PL1009 Information Technology -Oracle Training		2,055	2,055
					State Special Fund	2,055	2,055
				PL1037 Board of Milk Control - Legal Fees		25,000	25,000
					State Special Fund	25,000	25,000
				PL1038 Board of Milk Control - Per Diem		1,100	1,100
					State Special Fund	1,100	1,100
				PL1078 Board of Horse Racing - Per Diem		1,300	1,300
					State Special Fund	1,300	1,300
				PL1079 Board of Horse Racing - Rent		671	815
					State Special Fund	671	815

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
Department of Livestock							
DIAGNOSTIC LABORATORY PROGRAM						1,641,510	1,580,235
Ongoing						1,515,336	1,520,521
Base adjusted for fixed costs and inflation						1,505,805	1,509,993
						General Fund	93,651
						State Special Fund	1,416,342
NP3001 Diagnostic Lab General Fund Increase						0	0
						General Fund	206,349
						State Special Fund	(206,349)
PL3009 Lab Recharges						7,323	8,320
						State Special Fund	8,320
PL3010 Lab Overtime						2,208	2,208
						State Special Fund	2,208
OTO						126,174	59,714
NP3008 Diagnostic Lab PCR Technology OTO						62,272	50,812
						State Special Fund	50,812
PL3007 Diagnostic Lab Equipment						63,902	8,902
						State Special Fund	8,902
MEAT/POULTRY INSPECTION						1,229,834	1,229,589
Ongoing						1,229,834	1,229,589
Base adjusted for fixed costs and inflation						1,136,679	1,140,697
						General Fund	564,102
						State Special Fund	6,475
						Federal Fund	566,102
NP1009 Meat Inspection Funding Shortfall						41,286	41,286
						General Fund	41,286
NP1010 Meat Plant Inspector RST						45,347	41,084
						General Fund	22,673
						Federal Fund	22,674
NP1011 FAIM Computer Maintenance Contract						6,522	6,522
						General Fund	3,261
						Federal Fund	3,261
MILK & EGG PROGRAM						340,990	315,937
Ongoing						314,990	315,937
Base adjusted for fixed costs and inflation						311,809	312,756
						State Special Fund	278,955
						Federal Fund	32,854
PL5005 Milk & Egg Out of State Travel						3,181	3,181
						State Special Fund	3,181
OTO						26,000	0
PL5004 Milk and Egg Bureau Vehicle Replacement RST/OTO						26,000	0
						State Special Fund	26,000
Dept. of Natural Resources/Conservation						60,722,158	61,079,086
CENTRALIZED SERVICES						3,266,141	3,044,911
Ongoing						3,115,141	3,007,911
Base adjusted for fixed costs and inflation						2,815,219	2,719,809
						General Fund	2,290,439
						State Special Fund	424,780
						Federal Fund	100,000
PL2101 GIS Enterprise Project IT						195,164	180,263
						State Special Fund	195,164
PL2102 CSD Operating Adjustment						104,758	107,839
						State Special Fund	104,758

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
Dept. of Natural Resources/Conservation							
OTO						151,000	37,000
PL2103 CSD Equipment IT OTO						46,000	12,000
General Fund						30,000	0
State Special Fund						11,000	9,000
Federal Fund						5,000	3,000
PL2104 GIS Enterprise Equipment IT OTO						105,000	25,000
General Fund						105,000	25,000
CONSERVATION/RESOURCE DEV DIV						5,134,545	5,151,966
Ongoing						5,134,545	5,151,966
Base adjusted for fixed costs and inflation						4,092,345	4,096,726
General Fund						1,413,723	1,415,760
State Special Fund						2,422,674	2,421,358
Federal Fund						255,948	259,608
NP2303 Irrigation Assistance						150,000	150,000
State Special Fund						150,000	150,000
NP2308 Missouri River Council						128,200	133,240
State Special Fund						128,200	133,240
NP2311 Conservation District Watershed Position						70,000	70,000
State Special Fund						70,000	70,000
NP2314 Conservation Dist Operating-Coal Bed Methane RST						100,000	100,000
State Special Fund						100,000	100,000
PL2301 CARDD Operating Adjustment						115,000	123,000
General Fund						23,000	23,000
State Special Fund						82,000	86,000
Federal Fund						10,000	14,000
PL2302 Drinking Water Loan Program Assistance						200,000	200,000
State Special Fund						200,000	200,000
PL2306 Regional Water Systems						114,000	114,000
State Special Fund						114,000	114,000
PL2307 Yellowstone River Council						40,000	40,000
State Special Fund						40,000	40,000
PL2312 Watershed Grants						125,000	125,000
State Special Fund						125,000	125,000
FORESTRY/TRUST LANDS						35,161,067	37,562,917
Ongoing						33,298,717	36,784,417
Base adjusted for fixed costs and inflation						23,112,340	23,181,214
General Fund						8,287,955	8,316,599
State Special Fund						13,653,771	13,692,577
Federal Fund						1,170,614	1,172,038
NP3501 Radio Communications IT RST						390,000	390,000
General Fund						257,400	257,400
State Special Fund						132,600	132,600
NP3502 Urban Forestry Funding Change						0	0
State Special Fund						100,000	100,000
Federal Fund						(100,000)	(100,000)
NP3504 On-Going General Fund Support for Fire Fighting						5,000,000	5,000,000
General Fund						5,000,000	5,000,000
NP3530 NELO Land Use Specialist						55,137	52,996
State Special Fund						55,137	52,996
NP3533 Habitat Conservation Plan (HCP) Implem & Monit						3,434,167	6,827,493
State Special Fund						3,434,167	6,827,493

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
Dept. of Natural Resources/Conservation							
				NP3535 Land Exchange Reimbursement		300,000	300,000
					State Special Fund	300,000	300,000
				PL3505 Inmate Fire Suppression Crews		31,072	31,109
					General Fund	20,508	20,532
					State Special Fund	10,564	10,577
				PL3506 Forestry Operating Adjustment		436,974	454,395
					General Fund	152,103	163,624
					State Special Fund	70,372	76,306
					Federal Fund	214,499	214,465
				PL3507 Interagency Fire Support		99,478	103,478
					General Fund	65,655	68,295
					State Special Fund	33,823	35,183
				PL3531 Land Bank Reauthorization BIE		122,000	122,000
					State Special Fund	122,000	122,000
				PL3534 Access Acquisition BIEN		100,000	100,000
					State Special Fund	100,000	100,000
				PL3536 Trust Land Management Operating Adjustment		69,207	75,701
					State Special Fund	69,207	75,701
				PL3537 Weed Management Projects		25,000	25,000
					State Special Fund	25,000	25,000
				PL3538 Real Estate Management Plan		50,000	50,000
					State Special Fund	50,000	50,000
				PL3545 Historic Rights-of-Way Addition		15,000	15,000
					State Special Fund	15,000	15,000
				PL3547 Navigable River Management		58,342	56,031
					State Special Fund	58,342	56,031
			OTO			1,862,350	778,500
				NP3503 Fire Fighting Equipment - Rst/Bien/OTO		1,000,000	0
					General Fund	1,000,000	0
				NP3542 Reliance Refinery Remediation-BIE/OTO		500,000	500,000
					State Special Fund	500,000	500,000
				NP3549 Woody Biomass Utilization Program - OTO		250,000	250,000
					General Fund	250,000	250,000
				PL3508 Forestry Equipment Replacement IT OTO		30,600	12,500
					General Fund	30,600	12,500
				PL3544 Phone Systems-Field Offices-OTO/BIEN		31,750	0
					State Special Fund	31,750	0
				PL3546 Handheld Field Computer Equipment-OTO		50,000	16,000
					State Special Fund	50,000	16,000
				OIL & GAS CONSERVATION DIV.		2,371,040	2,389,869
			Ongoing			2,338,540	2,357,369
				Base adjusted for fixed costs and inflation		1,571,472	1,574,915
					State Special Fund	1,571,472	1,574,915
					Federal Fund	0	0
				NP2203 O&G Public Assess Data System IT		212,669	212,696
					State Special Fund	212,669	212,696
				NP2204 O&G Education & Outreach BIEN		62,500	62,500
					State Special Fund	62,500	62,500

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
Dept. of Natural Resources/Conservation							
				<u>NP2205 O&G North American Prospect Exposition (NAPE) BIEN</u>		7,500	7,500
				State Special Fund		7,500	7,500
				<u>PL2201 O&G Regulatory Operating Adjustment</u>		413,241	422,249
				State Special Fund		413,241	422,249
				<u>PL2202 Underground Injection Control (UIC) Operating Adj.</u>		71,158	77,509
				State Special Fund		71,158	77,509
		OTO				32,500	32,500
				<u>NP2208 Temporary Relocation Costs RST/OTO/BIEN</u>		32,500	32,500
				State Special Fund		32,500	32,500
		RESERVED WATER RIGHTS COMP COM				802,298	805,351
		Ongoing				704,798	707,851
				<u>Base adjusted for fixed costs and inflation</u>		743,786	745,586
				General Fund		743,786	745,586
				<u>PL2502 RWRCC Operating Adjustment</u>		(38,988)	(37,735)
				General Fund		(38,988)	(37,735)
		OTO				97,500	97,500
				<u>NP2501 RWRCC Contracted Services OTO</u>		97,500	97,500
				General Fund		97,500	97,500
		WATER RESOURCES DIVISION				13,987,067	12,124,072
		Ongoing				12,092,067	12,099,072
				<u>Base adjusted for fixed costs and inflation</u>		11,165,201	11,212,985
				General Fund		6,908,916	6,947,915
				State Special Fund		4,155,617	4,164,281
				Federal Fund		100,668	100,789
				<u>NP2403 Water Rights Records Optical Imaging-ITSD</u>		117,961	117,978
				State Special Fund		117,961	117,978
				<u>NP2405 Yellowstone Compact Study and Hydrologist RST</u>		119,602	113,794
				General Fund		119,602	113,794
				<u>NP2406 St. Mary Administrative Position</u>		20,027	18,534
				State Special Fund		20,027	18,534
				<u>NP2407 Upper Clark Fork Steering Committee</u>		20,000	20,000
				State Special Fund		20,000	20,000
				<u>NP2411 Map Modernization Program State Match IT</u>		115,000	115,000
				General Fund		115,000	115,000
				<u>NP2412 Surface Water/Ground Water Permitting Process</u>		168,238	158,349
				General Fund		146,367	137,764
				State Special Fund		21,871	20,585
				<u>NP2413 DFWP Dam Engineer</u>		0	0
				State Special Fund		0	0
				<u>PL2401 Water Resources Operating Adjustment IT</u>		242,738	222,932
				General Fund		86,538	67,005
				State Special Fund		142,700	142,427
				Federal Fund		13,500	13,500
				<u>PL2404 Community Assistance Program (CAP) Federal</u>		85,000	85,000
				Federal Fund		85,000	85,000
				<u>PL2408 Flathead Basin Commission Operating Adjustment IT</u>		11,800	8,000
				State Special Fund		11,800	8,000
				<u>PL2409 BWWC Operating Adjustment</u>		26,500	26,500
				State Special Fund		26,500	26,500

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
Dept. of Natural Resources/Conservation							
OTO						1,895,000	25,000
PL2402 State Water Projects Rehabilitation BIE/OTO						1,895,000	25,000
State Special Fund						1,895,000	25,000
Fish, Wildlife, and Parks						68,004,536	68,029,857
COMMUNICATION AND EDUCATION DIV						3,241,906	3,302,690
Ongoing						3,241,906	3,302,690
Base adjusted for fixed costs and inflation						3,220,216	3,229,472
State Special Fund						2,366,380	2,375,636
Federal Fund						853,836	853,836
NP805 Com & Ed Overhead Refund						0	0
State Special Fund						134,406	134,406
Federal Fund						(134,406)	(134,406)
PL802 Shooting Range Grants Biennial						(9,074)	(9,074)
State Special Fund						(9,074)	(9,074)
PL803 The Wildlife Education Center RST						25,764	77,292
State Special Fund						25,764	77,292
PL804 Off Highway Vehicle Education						5,000	5,000
State Special Fund						5,000	5,000
ENFORCEMENT DIVISION						8,398,252	8,378,126
Ongoing						8,383,252	8,363,126
Base adjusted for fixed costs and inflation						7,790,414	7,823,744
State Special Fund						7,399,295	7,431,656
Federal Fund						391,119	392,088
NP412 State Lands Wardens						140,118	110,262
State Special Fund						140,118	110,262
PL402 Warden Overtime						200,000	200,000
State Special Fund						192,000	192,000
Federal Fund						8,000	8,000
PL403 Block Management						18,561	18,561
State Special Fund						18,561	18,561
PL404 Parks Enforcement						6,200	6,200
State Special Fund						6,200	6,200
PL406 Board of Outfitters						20,000	20,000
State Special Fund						20,000	20,000
PL407 Regional Investigators						146,350	122,750
General Fund						139,032	116,612
State Special Fund						7,318	6,138
PL409 Radio Dispatch						31,609	31,609
State Special Fund						31,609	31,609
PL410 Off Highway Vehicle						30,000	30,000
State Special Fund						30,000	30,000
OTO						15,000	15,000
PL411 Legislative Contract Authority OTO						15,000	15,000
Federal Fund						15,000	15,000
FIELD SERVICES DIVISION						9,715,621	9,753,720
Ongoing						9,715,621	9,753,720
Base adjusted for fixed costs and inflation						8,864,792	8,878,290
State Special Fund						8,115,406	8,128,904
Federal Fund						749,386	749,386
NP209 Field Services Overhead Refund						0	0
State Special Fund						290,841	290,841
Federal Fund						(290,841)	(290,841)

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
		Fish, Wildlife, and Parks					
				PL201 Block Management		660,000	660,000
					State Special Fund	660,000	660,000
				PL202 Tax Adjustment		84,428	109,029
					State Special Fund	69,561	88,514
					Federal Fund	14,867	20,515
				PL203 Game Damage Elk Herders		22,247	22,247
					State Special Fund	22,247	22,247
				PL204 Living With Wildlife Biennial		1,820	1,820
					State Special Fund	1,820	1,820
				PL206 Conservation Easement Land Steward		32,900	32,900
					State Special Fund	32,900	32,900
				PL208 Dam Safety Act Technical Adjustment		49,434	49,434
					State Special Fund	49,434	49,434
		FISHERIES DIVISION				14,218,148	14,282,680
		Ongoing				12,968,148	13,032,680
				Base adjusted for fixed costs and inflation		11,760,294	11,800,987
					State Special Fund	4,466,730	4,482,465
					Federal Fund	7,293,564	7,318,522
				NP306 Fisheries Statewide Wildlife Grants		800,000	800,000
					State Special Fund	200,000	200,000
					Federal Fund	600,000	600,000
				NP308 Fisheries Overhead Refund		0	0
					State Special Fund	40,761	40,761
					Federal Fund	(40,761)	(40,761)
				PL301 Fort Peck Base Adjustments		180,224	180,224
					State Special Fund	180,224	180,224
				PL302 Fish Management Biologists and Techs		120,830	144,669
					State Special Fund	30,208	65,550
					Federal Fund	90,622	79,119
				PL303 Operations Cost Adjustment		106,800	106,800
					State Special Fund	26,700	26,700
					Federal Fund	80,100	80,100
		OTO				1,250,000	1,250,000
				NP306 Fisheries Statewide Wildlife Grants		250,000	250,000
					General Fund	250,000	250,000
				PL307 Fisheries Legislative Contract Authority OTO		1,000,000	1,000,000
					Federal Fund	1,000,000	1,000,000
		INFORMATION SERVICES DIVISION				3,852,335	3,930,739
		Ongoing				3,852,335	3,930,739
				Base adjusted for fixed costs and inflation		3,852,335	3,930,739
					State Special Fund	3,513,500	3,591,755
					Federal Fund	338,835	338,984
				NP103 Information Services Overhead Refund		0	0
					State Special Fund	179,034	179,034
					Federal Fund	(179,034)	(179,034)
		MANAGEMENT AND FINANCE				9,891,032	9,637,453
		Ongoing				9,891,032	9,637,453
				Base adjusted for fixed costs and inflation		9,295,992	9,214,140
					State Special Fund	7,029,375	6,963,656
					Federal Fund	2,266,617	2,250,484

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
		<u>Fish, Wildlife, and Parks</u>					
				<u>NP909 Mngmt & Finance Overhead Refund</u>		0	0
					State Special Fund	2,216,774	2,216,774
					Federal Fund	(2,216,774)	(2,216,774)
				<u>NP915 River Recreation Management Program</u>		225,652	224,291
					State Special Fund	225,652	224,291
				<u>PL901 State Wildlife Grants & Energy Development</u>		65,139	63,139
					State Special Fund	16,285	15,785
					Federal Fund	48,854	47,354
				<u>PL903 Citizen Advisory Committees</u>		30,000	30,000
					State Special Fund	30,000	30,000
				<u>PL904 Area Offices Rent Increase</u>		15,000	15,000
					State Special Fund	15,000	15,000
				<u>PL905 Search & Rescue Base Adjustment</u>		73,189	73,189
					State Special Fund	73,189	73,189
				<u>PL906 Water Adjudication RST</u>		161,060	0
					State Special Fund	161,060	0
				<u>PL907 Commission Expense Adjustment</u>		16,000	16,000
					State Special Fund	16,000	16,000
				<u>PL908 Seasonal Overtime</u>		9,000	9,000
					State Special Fund	9,000	9,000
				<u>PL911 Statute Book Printing</u>		0	(7,306)
					State Special Fund	0	(7,306)
		PARKS DIVISION				8,017,411	8,042,393
		<u>Ongoing</u>				7,957,411	7,982,393
				<u>Base adjusted for fixed costs and inflation</u>		7,574,603	7,599,395
					State Special Fund	7,243,326	7,268,118
					Federal Fund	331,277	331,277
				<u>NP610 Parks Overhead Refund</u>		0	0
					State Special Fund	117,317	117,317
					Federal Fund	(117,317)	(117,317)
				<u>PL603 Land & Water Conservation Fund</u>		68,508	68,508
					State Special Fund	68,508	68,508
				<u>PL604 Snowmobile Equipment BIEN</u>		6,500	6,500
					State Special Fund	6,500	6,500
				<u>PL605 Community Service</u>		37,819	37,819
					State Special Fund	37,819	37,819
				<u>PL606 FAS Maintenance & Operations</u>		98,547	98,671
					State Special Fund	98,547	98,671
				<u>PL607 Parks Operations & Maintenance</u>		95,820	95,886
					State Special Fund	95,820	95,886
				<u>PL608 Cultural & Historic Resource Staff</u>		75,614	75,614
					State Special Fund	75,614	75,614
		OTO				60,000	60,000
				<u>PL611 Parks Legislative Contract Authority OTO</u>		60,000	60,000
					Federal Fund	60,000	60,000
		WILDLIFE DIVISION				10,669,831	10,702,056
		<u>Ongoing</u>				9,885,352	9,917,577
				<u>Base adjusted for fixed costs and inflation</u>		8,505,100	8,537,255
					State Special Fund	4,395,469	4,411,488
					Federal Fund	4,109,631	4,125,767

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
C - Natural Resources and Commerce							
		Fish, Wildlife, and Parks					
				<u>NP507 State Wildlife Grants (SWG)</u>		800,000	800,000
					State Special Fund	200,000	200,000
					Federal Fund	600,000	600,000
				<u>NP514 Wildlife Overhead Refund</u>		0	0
					State Special Fund	73,382	73,382
					Federal Fund	(73,382)	(73,382)
				<u>PL501 Survey & Inventory Funding</u>		300,000	300,000
					State Special Fund	150,000	150,000
					Federal Fund	150,000	150,000
				<u>PL502 R1 Wildlife Conflict Specialist</u>		51,852	51,922
					State Special Fund	51,852	51,922
				<u>PL504 Harvest Survey Automation</u>		80,000	80,000
					State Special Fund	20,000	20,000
					Federal Fund	60,000	60,000
				<u>PL511 Deer, Elk, Moose, Goat, Sheep Auctions</u>		107,300	107,300
					State Special Fund	107,300	107,300
				<u>PL513 Migratory Bird Fund/Upland Game Bird</u>		41,100	41,100
					State Special Fund	41,100	41,100
			OTO			784,479	784,479
				<u>NP507 State Wildlife Grants (SWG)</u>		250,000	250,000
					General Fund	250,000	250,000
				<u>PL505 Black Bear Research OTO</u>		34,479	34,479
					State Special Fund	8,620	8,620
					Federal Fund	25,859	25,859
				<u>PL510 Legislative Contract Authority OTO</u>		500,000	500,000
					Federal Fund	500,000	500,000

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice						353,372,737	355,685,298
		Crime Control Division				9,109,590	9,136,329
		JUSTICE SYSTEM SUPPORT SERVICE				9,109,590	9,136,329
		Ongoing				9,109,590	9,136,329
		Base adjusted for fixed costs and inflation				8,903,097	8,910,589
				General Fund		2,147,578	2,155,070
				State Special Fund		9,349	9,349
				Federal Fund		6,746,170	6,746,170
		NP101 Tech. Assistance to Law Enf. and Tribal Gov.				60,000	60,000
				General Fund		60,000	60,000
		PL100 Office Relocation				56,493	75,740
				General Fund		36,713	49,220
				State Special Fund		390	523
				Federal Fund		19,390	25,997
		PL103 Misdemeanor Probation Domestic Violence Program				90,000	90,000
				State Special Fund		90,000	90,000
		Department of Corrections				172,851,148	176,956,888
		ADMIN AND SUPPORT SERVICES				18,484,999	14,973,176
		Ongoing				14,812,448	14,726,899
		Base adjusted for fixed costs and inflation				13,346,407	13,319,333
				General Fund		13,011,102	12,984,256
				State Special Fund		259,724	260,036
				Proprietary		75,581	75,041
		NP104 BOPP Administrative Officer				55,013	55,049
				General Fund		55,013	55,049
		NP107 BOPP Contract with a Private Attorney				7,500	7,500
				General Fund		7,500	7,500
		NP110 Electronic Storage and Workflow				13,800	6,200
				General Fund		13,800	6,200
		NP111 Video Conferencing Expansion				62,136	59,936
				General Fund		62,136	59,936
		NP114 Collection Technician FTE				77,736	72,466
				State Special Fund		77,736	72,466
		NP121 Behavioral Health Facilitator				79,181	79,181
				General Fund		79,181	79,181
		PL101 BOPP Board Member Per Diem				40,425	40,425
				General Fund		40,425	40,425
		PL105 BOPP ACA Reaccreditation				3,000	3,000
				General Fund		3,000	3,000
		PL112 Rent Adjustment for Helena Office Space				474,220	474,220
				General Fund		474,220	474,220
		PL113 1.00 FTE for Managed Care Professional - RN				56,546	53,925
				General Fund		56,546	53,925
		PL115 IT Staff Addition				281,080	270,283
				General Fund		281,080	270,283
		PL119 IT Service Upgrades				170,000	130,000
				General Fund		170,000	130,000
		PL130 CPI Inflationary Increase for Medical				145,404	155,381
				General Fund		145,404	155,381
		OTO				3,672,551	246,277
		NP106 BOPP Computer Software and a Scanner OTO				12,927	12,927
				General Fund		12,927	12,927
		NP110 Electronic Storage and Workflow				136,200	143,800
				General Fund		136,200	143,800

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice							
Department of Corrections							
				NP111 Video Conferencing Expansion		54,000	0
					General Fund	54,000	0
				NP120 Interoperable Communication Project - OTO		2,622,424	0
					General Fund	2,622,424	0
				PL116 Correctional Staff Scheduling Software - OTO		247,000	27,800
					General Fund	247,000	27,800
				PL117 Commissary, Inmate Banking, Rest. Software OTO		250,000	35,000
					General Fund	125,000	17,500
					State Special Fund	125,000	17,500
				PL118 MSP fiber plant upgrade OTO		350,000	26,750
					General Fund	350,000	26,750
				COMMUNITY CORRECTIONS		51,833,651	54,796,750
				Ongoing		51,833,651	54,796,750
				Base adjusted for fixed costs and inflation		34,146,216	34,208,161
					General Fund	33,759,344	33,821,289
					State Special Fund	386,872	386,872
				NP202 Additional 80 Prerelease Beds - NW Montana		0	1,898,000
					General Fund	0	1,898,000
				PL201 Annualize Prerelease Beds		4,541,342	4,541,342
					General Fund	4,541,342	4,541,342
				PL203 Annualize 120 Meth Treatment Beds		5,306,512	5,306,512
					General Fund	5,306,512	5,306,512
				PL204 Annualize 50 Additional Treatment Beds		1,334,509	1,334,509
					General Fund	1,334,509	1,334,509
				PL205 P & P Chemical Dependency Counselor Contracts		546,520	546,520
					General Fund	546,520	546,520
				PL206 Annualize START Beds		1,231,015	1,231,015
					General Fund	1,231,015	1,231,015
				PL207 Annualize Connections/WATCH/BASC beds		2,382,684	2,382,684
					General Fund	2,382,684	2,382,684
				PL209 Additional Probation and Parole FTE		1,445,769	1,778,217
					General Fund	1,445,769	1,778,217
				PL210 P&P Administrative Staff/Add Sup. Fee Auth.		198,544	195,792
					General Fund	31,247	28,495
					State Special Fund	167,297	167,297
				PL214 Treasure State Correctional Training Center OT		27,082	27,082
					General Fund	27,082	27,082
				PL215 Provider Rate Increase		673,458	1,346,916
					General Fund	673,458	1,346,916
				JUVENILE CORRECTIONS		20,400,491	20,009,766
				Ongoing		19,953,491	20,009,766
				Base adjusted for fixed costs and inflation		18,196,130	18,252,030
					General Fund	17,466,869	17,522,769
					State Special Fund	505,885	505,885
					Federal Fund	223,376	223,376
				NP501 Juvenile Re-Entry		878,348	878,544
					General Fund	878,348	878,544
				NP502 Riverside School-to-Work Program		69,896	70,075
					General Fund	69,896	70,075

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice							
Department of Corrections							
				<u>NP506 Educator Entitlement increase</u>		15,406	15,406
				General Fund		15,406	15,406
				<u>PL508 Educator Entitlement Adj Annualization</u>		63,800	63,800
				General Fund		63,800	63,800
				<u>PL509 Youth Corrections Inmate Pay</u>		48,156	48,156
				General Fund		48,156	48,156
				<u>PL510 Youth Corrections Overtime</u>		331,455	331,455
				General Fund		331,455	331,455
				<u>PL511 Chaplain Contract for RYCF</u>		5,300	5,300
				General Fund		5,300	5,300
				<u>PL512 Increased Authority for Parental Contributions</u>		192,000	192,000
				State Special Fund		192,000	192,000
				<u>PL513 Donations, Interest & Income - Pine Hills</u>		153,000	153,000
				State Special Fund		153,000	153,000
			OTO			447,000	0
				<u>NP505 RYCF Commercial Kitchen OTO</u>		35,000	0
				General Fund		35,000	0
				<u>PL501 PHYCF Safety & Security Replacement Needs OTO</u>		161,000	0
				General Fund		161,000	0
				<u>PL502 RYCF Safety/Security Replacement Needs OTO</u>		60,100	0
				General Fund		60,100	0
				<u>PL503 PHYCF Replace Gym Floor OTO</u>		140,000	0
				General Fund		140,000	0
				<u>PL506 PHYCF Laundry OTO</u>		50,900	0
				General Fund		50,900	0
				MONT CORRECTIONAL ENTERPRISES		4,588,631	4,591,669
			Ongoing			4,588,631	4,591,669
				<u>Base adjusted for fixed costs and inflation</u>		3,415,409	3,418,447
				General Fund		1,738,961	1,741,438
				State Special Fund		1,264,040	1,264,041
				Proprietary		412,408	412,968
				<u>PL401 License Plate/Vocational Education Inmate Payroll</u>		120,926	120,926
				General Fund		66,846	66,846
				Proprietary		54,080	54,080
				<u>PL403 Canteen Additional State Special Fund Authority</u>		529,120	529,120
				State Special Fund		529,120	529,120
				<u>PL408 License Plate Apprp to maintain current production</u>		523,176	523,176
				General Fund		523,176	523,176
				SECURE CUSTODY FACILITIES		77,543,376	82,585,527
			Ongoing			76,570,235	82,369,527
				<u>Base adjusted for fixed costs and inflation</u>		64,536,061	64,702,446
				General Fund		64,536,061	64,702,446
				State Special Fund		0	0
				<u>PL1 Correctional Officers MWP</u>		68,520	65,684
				General Fund		68,520	65,684
				<u>PL3 MWP Contract Annualization and Increases</u>		152,489	167,489
				General Fund		152,489	167,489
				<u>PL3002 Inmate Transportation</u>		501,463	491,599
				General Fund		501,463	491,599

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice							
Department of Corrections							
				<u>PL3005 3 FTE for Infirmary and Mental Health</u>		209,430	188,137
					General Fund	209,430	188,137
				<u>PL301 Annualize Contract Beds</u>		848,533	850,602
					General Fund	848,533	850,602
				<u>PL3012 MSP Inmate Pay</u>		282,938	282,938
					General Fund	182,938	182,938
					State Special Fund	100,000	100,000
				<u>PL3014 MSP Overtime</u>		1,239,639	1,239,639
					General Fund	1,239,639	1,239,639
				<u>PL302 Adjustment to contract beds for pop. growth</u>		8,110,300	13,430,723
					General Fund	8,110,300	13,430,723
				<u>PL303 Provider Rate Increase</u>		324,408	648,816
					General Fund	324,408	648,816
				<u>PL4 MWP Inmate Pay</u>		65,000	70,000
					General Fund	65,000	70,000
				<u>PL8 MWP Overtime</u>		231,454	231,454
					General Fund	231,454	231,454
			OTO			973,141	216,000
				<u>PL3006 MSP One Time Only Supplies OTO</u>		496,503	0
					General Fund	496,503	0
				<u>PL3010 MSP Replacement Equipment - OTO</u>		162,500	216,000
					General Fund	162,500	216,000
				<u>PL3013 MSP Staff Transportation - OTO</u>		161,223	0
					General Fund	161,223	0
				<u>PL6 MWP Security/Training Equip. (OTO)</u>		152,915	0
					General Fund	152,915	0
Department of Justice						73,903,579	71,830,919
CENTRAL SERVICES DIVISION						1,131,954	1,059,094
			Ongoing			1,131,954	1,059,094
				<u>Base adjusted for fixed costs and inflation</u>		1,131,954	1,059,094
					General Fund	413,038	381,274
					State Special Fund	654,163	614,275
					Proprietary	64,753	63,545
COUNTY ATTORNEY PAYROLL						2,180,938	2,267,204
			Ongoing			2,180,938	2,267,204
				<u>Base adjusted for fixed costs and inflation</u>		1,939,196	1,941,154
					General Fund	1,939,196	1,941,154
				<u>PL1901 County Attorney Pay Plan - 50% Match</u>		241,742	326,050
					General Fund	241,742	326,050
DIV. OF CRIMINAL INVESTIGATION						6,866,404	6,901,949
			Ongoing			6,764,787	6,798,342
				<u>Base adjusted for fixed costs and inflation</u>		6,790,506	6,826,043
					General Fund	3,844,968	3,872,363
					State Special Fund	1,669,399	1,673,932
					Federal Fund	1,276,139	1,279,748
				<u>NP1806 One Management/Leadership Trainer</u>		71,447	69,497
					State Special Fund	71,447	69,497
				<u>NP1807 State Special Authority for Grants</u>		86,327	86,295
					State Special Fund	86,327	86,295

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice							
Department of Justice							
				PL1810 Deduct Excess Authority		(183,493)	(183,493)
					State Special Fund	(14,464)	(14,464)
					Federal Fund	(169,029)	(169,029)
		OTO				101,617	103,607
				PL1803 Continuation of OTO - Medicaid Fraud Unit Increase		101,617	103,607
					General Fund	25,404	25,902
					Federal Fund	76,213	77,705
FORENSIC SCIENCE DIVISION						3,839,944	3,798,842
		Ongoing				3,672,569	3,683,467
				Base adjusted for fixed costs and inflation		3,491,053	3,507,743
					General Fund	3,187,849	3,204,539
					State Special Fund	303,204	303,204
				NP3202 Toxicologist Position		73,758	70,862
					General Fund	73,758	70,862
				NP3203 Latent Print Examiner Position		73,758	70,862
					General Fund	73,758	70,862
				PL3201 Forensic Science Lab - Base Adjustment		34,000	34,000
					General Fund	34,000	34,000
		OTO				167,375	115,375
				NP3205 Crime Lab Equipment (RST/OTO)		115,375	115,375
					General Fund	115,375	115,375
				NP3206 Forensic Science Lab - Records Mgmt. OTO		52,000	0
					General Fund	52,000	0
GAMBLING CONTROL DIVISION						3,731,536	3,693,984
		Ongoing				3,646,286	3,608,734
				Base adjusted for fixed costs and inflation		3,137,169	3,153,788
					State Special Fund	2,227,419	2,239,244
					Proprietary	909,750	914,544
				NP703 GCD - New Investigators - Gambling		147,848	118,102
					State Special Fund	147,848	118,102
				NP704 Tobacco Investigation Unit - Make MOU Permanent		122,432	122,700
					State Special Fund	122,432	122,700
				NP707 GCD - New Investigators - Liquor		147,848	118,102
					Proprietary	147,848	118,102
				PL701 GCD - Base Adjustment		61,489	66,542
					State Special Fund	43,657	47,245
					Proprietary	17,832	19,297
				PL706 Video Gambling Machine System-Testing		29,500	29,500
					State Special Fund	29,500	29,500
		OTO				85,250	85,250
				NP702 Continue OTO Approp - Gambling Database		85,250	85,250
					State Special Fund	85,250	85,250
HIGHWAY PATROL DIVISION						24,867,637	25,154,334
		Ongoing				24,867,637	25,154,334
				Base adjusted for fixed costs and inflation		23,672,934	23,846,412
					State Special Fund	23,458,374	23,631,838
					Federal Fund	214,560	214,574
				NP1303 Communications Operators		152,659	152,791
					State Special Fund	152,659	152,791
				NP1305 MCSAP Reduction from base		(244,097)	(244,111)
					State Special Fund	(29,537)	(29,537)
					Federal Fund	(214,560)	(214,574)

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice							
	Department of Justice						
				NP1306 Executive protection funding switch		0	0
					General Fund	175,039	176,690
					State Special Fund	(175,039)	(176,690)
				PL1301 MHP base adjustments		866,456	979,557
					State Special Fund	866,456	979,557
				PL1304 Uniform Pay Raise 2009		419,685	419,685
					State Special Fund	419,685	419,685
				INFORMATION TECHNOLOGY SERVICE		5,421,304	5,065,667
				Ongoing		5,421,304	5,065,667
				Base adjusted for fixed costs and inflation		4,630,406	4,649,734
					General Fund	3,310,245	3,325,974
					State Special Fund	1,303,448	1,307,047
					Federal Fund	3,392	3,392
					Proprietary	13,321	13,321
				NP2906 Criminal Justice Information Services Technician		40,898	40,933
					State Special Fund	40,898	40,933
				PL2905 Additional Spending Authority for IJIS Broker		375,000	375,000
					State Special Fund	375,000	375,000
				PL2907 Increase Spending Authority for CJIN Refresh		375,000	0
					State Special Fund	375,000	0
				LEGAL SERVICES DIVISION		9,441,762	6,449,804
				Ongoing		6,191,762	6,199,804
				Base adjusted for fixed costs and inflation		5,442,645	5,470,252
					General Fund	4,588,875	4,615,834
					State Special Fund	335,816	336,099
					Federal Fund	517,954	518,319
				NP101 Victims Services Restitution		150,000	150,000
					State Special Fund	150,000	150,000
				NP102 End-of-Life Registry		24,337	24,350
					General Fund	24,337	24,350
				NP103 Tobacco Settlement Enforcement		130,675	125,324
					General Fund	130,675	125,324
				NP104 Prosecution Services Bureau		167,066	161,247
					General Fund	167,066	161,247
				NP105 Child Protective Unit		167,066	161,247
					General Fund	124,052	119,721
					Federal Fund	43,014	41,526
				NP107 Water Court Claims		103,473	100,884
					General Fund	103,473	100,884
				PL108 Continuing Legal Education - Base Adjustment		6,500	6,500
					State Special Fund	6,500	6,500
				OTO		3,250,000	250,000
				NP110 Major Litigation - Wyoming (OTO)		3,000,000	0
					General Fund	3,000,000	0
				PL110 Major Litigation - OTO		250,000	250,000
					General Fund	250,000	250,000
				MOTOR VEHICLE DIVISION		15,867,437	16,882,234
				Ongoing		15,867,437	16,882,234
				Base adjusted for fixed costs and inflation		10,061,419	10,096,035
					General Fund	5,796,091	5,816,862
					State Special Fund	4,254,202	4,268,047
					Proprietary	11,126	11,126

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice							
Department of Justice							
				NP1208 Driver License Security Requirements		112,283	112,371
				General Fund		112,283	112,371
				PL1201 Base Adjustments MVD Titling and Registration		481,512	481,512
				General Fund		288,907	288,907
				State Special Fund		192,605	192,605
				PL1202 Base Adjustments MVD Driver Licensing Functions		1,362,223	1,367,316
				General Fund		817,334	820,390
				State Special Fund		544,889	546,926
				PL1206 Base Adjustments for HB577 Debt Payments		800,000	775,000
				State Special Fund		800,000	775,000
				PL1207 Base Adjustments for HB261 Debt Payments		2,500,000	3,500,000
				State Special Fund		2,500,000	3,500,000
				PL1212 MV Proprietary Account Spending Authority		25,000	25,000
				Proprietary		25,000	25,000
				PL1213 HB 671 Proprietary Account Spending Authority		525,000	525,000
				Proprietary		525,000	525,000
				OFFICE OF CONSUMER PROTECTION		554,663	557,807
				Ongoing		554,663	557,807
				Base adjusted for fixed costs and inflation		554,663	557,807
				General Fund		0	0
				State Special Fund		554,663	557,807
				Department of Military Affairs		28,147,107	28,220,776
				AIR NATIONAL GUARD PGM		4,924,774	5,005,769
				Ongoing		4,924,774	5,005,769
				Base adjusted for fixed costs and inflation		3,059,924	3,072,094
				General Fund		356,620	358,159
				Federal Fund		2,703,304	2,713,935
				NP1303 Federal Authority for ANG Budget Management		55,374	55,444
				Federal Fund		55,374	55,444
				PL1301 Utility Funding for New ANG Facilities		74,323	81,522
				General Fund		18,581	20,380
				Federal Fund		55,742	61,142
				PL1304 Federal Spending Authority for Fire Fighter OT		298,786	308,451
				Federal Fund		298,786	308,451
				PL1305 Federal Spending Authority for ANG Security		1,436,367	1,488,258
				Federal Fund		1,436,367	1,488,258
				ARMY NATIONAL GUARD PGM		13,932,377	13,980,854
				Ongoing		13,932,377	13,980,854
				Base adjusted for fixed costs and inflation		7,706,375	7,694,594
				General Fund		1,136,159	1,132,612
				Federal Fund		6,570,216	6,561,982
				NP1204 100% Federally Funded Communications Specialist		63,521	63,570
				State Special Fund		12,000	12,000
				Federal Fund		51,521	51,570
				PL1201 Operational Support for New ARNG Facilities		101,977	128,469
				General Fund		33,416	40,555
				Federal Fund		68,561	87,914
				PL1202 Army Guard Funding & Authority for Maintenance		3,275,082	3,275,082
				Federal Fund		3,275,082	3,275,082
				PL1203 Federal Army Security Spending Authority		842,946	876,663
				Federal Fund		842,946	876,663

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice							
	Department of Military Affairs						
				<u>PL1205 Federal Range & Training Spending Authority.</u>		1,942,476	1,942,476
					Federal Fund	1,942,476	1,942,476
		CENTRALIZED SERVICES DIVISION				1,071,429	1,045,904
		<u>Ongoing</u>				1,046,429	1,045,904
				<u>Base adjusted for fixed costs and inflation</u>		755,727	755,165
					General Fund	514,397	512,823
					Federal Fund	241,330	242,342
				<u>NP102 Department Information Technology Officer</u>		40,702	40,739
					General Fund	40,702	40,739
				<u>NP103 Funding for National Guard STARBASE Program</u>		250,000	250,000
					Federal Fund	250,000	250,000
		OTO				25,000	0
				<u>NP101 Upgrade Department Server - OTO</u>		25,000	0
					General Fund	25,000	0
		CHALLENGE PROGRAM				3,095,272	3,095,714
		<u>Ongoing</u>				3,095,272	3,095,714
				<u>Base adjusted for fixed costs and inflation</u>		3,032,357	3,032,761
					General Fund	1,209,527	1,213,104
					Federal Fund	1,822,830	1,819,657
				<u>PL203 ChalleNGE Substitute Teachers</u>		8,915	8,953
					General Fund	3,566	3,581
					Federal Fund	5,349	5,372
				<u>PL204 Fed Spen Auth for ChalleNGe Trav and Spec Projects</u>		54,000	54,000
					Federal Fund	54,000	54,000
		DISASTER & EMERGENCY SERVICES				3,108,377	3,075,349
		<u>Ongoing</u>				3,096,377	3,075,349
				<u>Base adjusted for fixed costs and inflation</u>		2,455,377	2,450,349
					General Fund	744,651	744,800
					State Special Fund	14,408	14,408
					Federal Fund	1,696,318	1,691,141
				<u>NP2104 Operating Expenses for Incident Command Vehicle</u>		15,000	15,000
					General Fund	15,000	15,000
				<u>NP2105 Upgrade SECC Computers</u>		16,000	0
					General Fund	16,000	0
				<u>NP2109 Funding for Sustainment of Regional HazMat Teams</u>		290,000	290,000
					General Fund	290,000	290,000
				<u>PL2107 State Special Authority for DES</u>		120,000	120,000
					State Special Fund	120,000	120,000
				<u>PL2108 State Special Authority for Search & Rescue</u>		200,000	200,000
					State Special Fund	200,000	200,000
		OTO				12,000	0
				<u>NP2106 Upgrade GIS Hardware and Software OTO</u>		12,000	0
					General Fund	12,000	0
		SCHOLARSHIP PROGRAM				250,000	250,000
		<u>Ongoing</u>				250,000	250,000
				<u>Base adjusted for fixed costs and inflation</u>		250,000	250,000
					General Fund	250,000	250,000
		VETERANS AFFAIRS PROGRAM				1,764,878	1,767,186
		<u>Ongoing</u>				1,764,878	1,767,186
				<u>Base adjusted for fixed costs and inflation</u>		1,480,308	1,482,616
					General Fund	689,381	687,556
					State Special Fund	790,927	795,060

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice							
Department of Military Affairs							
				NP3101 VA Cemetery State Special Spending Authority		215,000	215,000
				State Special Fund		215,000	215,000
				NP3102 State Special Spending Authority for Native VSO		69,570	69,570
				State Special Fund		69,570	69,570
Labor and Industry						69,361,313	69,540,386
BUSINESS STANDARDS DIVISION						13,915,022	13,988,226
				Ongoing		13,915,022	13,988,226
				Base adjusted for fixed costs and inflation		12,271,406	12,303,524
				State Special Fund		12,271,406	12,303,524
				NP50001 BOLB Additional FTE Education Specialist		27,928	26,275
				State Special Fund		27,928	26,275
				NP50003 Building Codes FTE		159,207	159,480
				State Special Fund		159,207	159,480
				PL50005 Legal Contingency Fund		70,000	70,000
				State Special Fund		70,000	70,000
				PL50006 BOLB Operating Increases		440,513	467,984
				State Special Fund		440,513	467,984
				PL50007 Building Codes Operating Increases		287,376	230,527
				State Special Fund		287,376	230,527
				PL50008 BSD Admin Operating Increases		(8,482)	(8,117)
				State Special Fund		(8,482)	(8,117)
				PL50009 HCLB Operating Increases		544,812	613,701
				State Special Fund		544,812	613,701
				PL50010 Weights & Measures Operating Increase		122,262	124,852
				State Special Fund		122,262	124,852
COMMISSIONER'S OFFICE/CSD						1,497,180	1,513,733
				Ongoing		1,497,180	1,513,733
				Base adjusted for fixed costs and inflation		1,642,296	1,653,698
				General Fund		246,064	248,082
				State Special Fund		851,293	857,963
				Federal Fund		464,534	465,035
				Proprietary		80,405	82,618
				PL30001 CSD Operating Increase		41,164	46,315
				General Fund		5,244	5,880
				State Special Fund		21,191	23,882
				Federal Fund		11,607	13,035
				Proprietary		3,122	3,518
				PL30002 CSD Funding Switch		(186,280)	(186,280)
				State Special Fund		(186,280)	(186,280)
EMPLOYMENT RELATIONS DIVISION						10,584,926	10,631,612
				Ongoing		10,584,926	10,631,612
				Base adjusted for fixed costs and inflation		10,263,129	10,305,964
				General Fund		1,038,922	1,043,968
				State Special Fund		8,484,513	8,517,404
				Federal Fund		739,694	744,592
				NP40002 Mine Inspection Reinstatement		148,197	145,548
				State Special Fund		148,197	145,548
				PL40001 ERD Operating Increases		173,600	180,100
				General Fund		27,300	28,100
				State Special Fund		136,600	141,800
				Federal Fund		9,700	10,200

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
D - Public Safety and Justice							
Labor and Industry							
OFFICE OF COMMUNITY SERVICES						3,165,717	3,118,007
Ongoing						3,165,717	3,118,007
Base adjusted for fixed costs and inflation						2,948,024	2,949,590
General Fund						36,922	36,922
Federal Fund						2,911,102	2,912,668
NP70004 Conference on Race (Biennial)						50,000	0
State Special Fund						50,000	0
PL70001 Administration Costs						86,922	86,922
General Fund						86,922	86,922
PL70002 Accounting Requirement						75,000	75,000
State Special Fund						75,000	75,000
PL70003 Operating Increase						5,771	6,495
General Fund						1,156	1,156
Federal Fund						4,615	5,339
UNEMPLOYMENT INSURANCE DIVISIO						11,037,498	11,098,157
Ongoing						11,037,498	11,098,157
Base adjusted for fixed costs and inflation						10,206,498	10,261,157
State Special Fund						720,224	741,231
Federal Fund						9,486,274	9,519,926
NP20002 UI Funding Switch						0	0
State Special Fund						905,571	2,300,000
Federal Fund						(905,571)	(2,300,000)
PL20001 UI Operating Increases						431,000	437,000
Federal Fund						431,000	437,000
PL20003 UI Penalty Mail						400,000	400,000
Federal Fund						400,000	400,000
WORK FORCE SERVICES DIVISION						28,550,088	28,573,915
Ongoing						28,550,088	28,573,915
Base adjusted for fixed costs and inflation						28,224,839	28,317,077
General Fund						519,974	520,472
State Special Fund						7,710,314	7,712,137
Federal Fund						19,994,551	20,084,468
NP10001 Research & Analysis Funding Switch						0	0
General Fund						200,000	200,000
Federal Fund						(200,000)	(200,000)
PL10002 Operating Increase						325,249	256,838
General Fund						7,927	8,758
State Special Fund						69,670	30,959
Federal Fund						247,652	217,121
WORKERS COMPENSATION COURT						610,882	616,736
Ongoing						610,882	616,736
Base adjusted for fixed costs and inflation						555,810	558,323
State Special Fund						555,810	558,323
PL90001 WCC Operating Increase						55,072	58,413
State Special Fund						55,072	58,413

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
E - Education						1,052,531,202	1,073,037,410
Board of Public Education						380,588	390,731
ADMINISTRATION						225,716	235,810
Ongoing						225,716	235,810
Base adjusted for fixed costs and inflation						221,582	221,676
					General Fund	206,582	206,676
					State Special Fund	15,000	15,000
PL1 Rent increase						3,000	13,000
					General Fund	3,000	8,000
					State Special Fund	0	5,000
PL2 Present Law Per Diem						1,134	1,134
					General Fund	1,134	1,134
ADVISORY COUNCIL						154,872	154,921
Ongoing						154,872	154,921
Base adjusted for fixed costs and inflation						154,872	154,921
					State Special Fund	154,872	154,921
Commissioner of Higher Education						247,743,705	248,811,595
ADMINISTRATION PROGRAM						3,969,485	2,916,017
Ongoing						2,198,386	2,212,116
Base adjusted for fixed costs and inflation						2,041,407	2,012,609
					General Fund	1,820,393	1,791,595
					Federal Fund	221,014	221,014
NP1053 Create Internal Service Fund for Fiscal and Admin						99,775	101,229
					General Fund	(120,146)	(118,416)
					Federal Fund	(221,014)	(221,014)
					Proprietary	440,935	440,659
NP1054 Improve OCHE IT Network and Security						10,000	10,000
					General Fund	10,000	10,000
PL1002 Rent Increase						13,356	54,420
					General Fund	13,356	54,420
PL1020 Move 1 FTE from Minority Achievement to Administ.						33,848	33,858
					General Fund	33,848	33,858
OTO						1,771,099	703,901
NP1051 Improve Transferability and Student Data OTO						1,291,099	253,901
					General Fund	1,291,099	253,901
NP1052 Coordinate and Enhance Distant Learning - OTO						450,000	450,000
					General Fund	450,000	450,000
PL1000 Moving Expenses (OTO)						30,000	0
					General Fund	30,000	0
Commissioner of Higher Education						163,393,127	160,959,532
Ongoing						156,393,127	160,459,532
Base adjusted for fixed costs and inflation						144,438,496	144,438,496
					General Fund	128,377,141	128,044,199
					State Special Fund	16,061,355	16,394,297
NP68 Add One Fire Trainer at FSTS						108,983	74,000
					General Fund	108,983	74,000
PL66 Increased Overhead Costs for Campus Support						84,482	121,136
					General Fund	84,482	121,136
PL9001 Present Law Adjustments - Ed Units (Resident)						9,767,959	13,507,974
					General Fund	9,767,959	13,507,974
PL9002 Present Law Adjustments - Ed Units (WUE)						524,003	752,168
					General Fund	524,003	752,168
PL9020 Present Law Adjustments - AES						762,373	769,954
					General Fund	762,373	769,954

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
E - Education							
		Commissioner of Higher Education - Distribution to System					
				PL9030 Present Law Adjustments -Extension Services		398,948	398,763
				General Fund		398,948	398,763
				PL9040 Present Law Adjustements - Fire Services Training		45,004	42,544
				General Fund		45,004	42,544
				PL9050 Present Law Adjustments - Forestry & Cons.		100,271	108,580
				General Fund		100,271	108,580
				PL9060 Present Law Adjstments - Bureau of Mines		51,874	53,287
				General Fund		51,874	53,287
				PL9063 BoM - New Space - Restricted		22,415	89,660
				General Fund		22,415	89,660
				PL9064 BoM - Miscellaneous		6,852	6,852
				General Fund		6,852	6,852
				PL9065 FSTS - Miscellaneous		6,010	6,955
				General Fund		6,010	6,955
				PL9066 FCES - Miscellaneous		920	1,840
				General Fund		920	1,840
				PL9067 AES - Miscellaneous		71,272	83,196
				General Fund		71,272	83,196
				PL9068 Correction Between FCES and ES		0	0
				General Fund		0	0
				PL9069 ES - Miscellaneous		3,265	4,127
				General Fund		3,265	4,127
				PL9075 Consolidate BioBased with AES RL		0	0
				General Fund		0	0
			OTO			7,000,000	500,000
				NP9053 Equip and Tech in High Demand Fields MUS & CC OTO		4,000,000	0
				General Fund		2,000,000	0
				State Special Fund		2,000,000	0
				NP9054 Wrkfce Train. in High Demand Fields MUS & CC -OTO		1,500,000	0
				General Fund		1,500,000	0
				NP9055 Research Agencies Equipment - OTO		1,000,000	0
				General Fund		1,000,000	0
				PL9008 Tuition Waivers - H.S. Honors Program OTO		500,000	500,000
				State Special Fund		500,000	500,000
		BOARD OF REGENTS-ADMIN				31,801	31,801
		Ongoing				31,801	31,801
				Base adjusted for fixed costs and inflation		25,501	25,501
				General Fund		25,501	25,501
				NP1301 Restore Base -Per Diem		6,300	6,300
				General Fund		6,300	6,300
		COMMUNITY COLLEGE ASSISTANCE				8,237,813	8,399,972
		Ongoing				8,237,813	8,399,972
				Base adjusted for fixed costs and inflation		7,482,416	7,482,416
				General Fund		7,482,416	7,482,416
				PL4000 Community Colleges - Reversion Adjustment		(659,162)	(659,162)
				General Fund		(659,162)	(659,162)
				PL4001 Community Colleges - Enrollment Adjustment		964,559	1,126,718
				General Fund		964,559	1,126,718

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
E - Education							
Commissioner of Higher Education							
				PL4003 Community Colleges - Base Funding		450,000	450,000
					General Fund	450,000	450,000
				GUARANTEED STUDENT LOAN PGM		48,852,035	51,707,541
				Ongoing		48,852,035	51,707,541
				Base adjusted for fixed costs and inflation		29,812,116	29,800,448
					Federal Fund	29,812,116	29,800,448
				NP1251 GSL Increased Claims Payments		13,000,000	15,000,000
					Federal Fund	13,000,000	15,000,000
				NP1252 GSL Increased Collection Costs		5,700,000	6,800,000
					Federal Fund	5,700,000	6,800,000
				NP1253 GSL Federal Fund Reserve Recall		382,813	0
					Federal Fund	382,813	0
				NP1254 GSL Guarantee Servicing System		0	150,000
					Federal Fund	0	150,000
				NP1255 Transfer 1 FTE from MGSLP to Stud. Assist.		(42,894)	(42,907)
					Federal Fund	(42,894)	(42,907)
				IMPROVING TEACHER QUALITY		385,000	395,000
				Ongoing		385,000	395,000
				Base adjusted for fixed costs and inflation		349,866	349,866
					Federal Fund	349,866	349,866
				NP3001 Incr. Improving Teacher Quality Grants -		35,134	45,134
					Federal Fund	35,134	45,134
				STUDENT ASSISTANCE PROGRAM		11,485,506	13,007,051
				Ongoing		11,485,506	13,007,051
				Base adjusted for fixed costs and inflation		9,181,758	9,181,758
					General Fund	8,948,505	8,948,505
					State Special Fund	338	338
					Federal Fund	232,915	232,915
				NP2060 MT Family Ed Savings Prg Growth		99,662	99,662
					State Special Fund	99,662	99,662
				NP2061 Governor's Scholarship Program Expansion		250,000	500,000
					General Fund	250,000	500,000
				NP2063 Quality Educator Loan Forgiveness Program		350,000	700,000
					General Fund	350,000	700,000
				PL2001 WWAMI/WICHE/MN Dental		295,020	480,465
					General Fund	295,020	480,465
				PL2002 Governor's Postsecondary Scholarship Program		1,278,166	2,013,166
					General Fund	1,278,166	2,013,166
				PL2053 Reimb. GSL for Services Related to Student Assist.		30,900	32,000
					General Fund	30,900	32,000
				TALENT SEARCH		4,540,166	4,544,442
				Ongoing		4,540,166	4,544,442
				Base adjusted for fixed costs and inflation		2,514,360	2,518,646
					General Fund	106,719	106,763
					Federal Fund	2,407,641	2,411,883
				NP6052 Increase Federal Gear-Up Grants & Scholarships		2,059,654	2,059,654
					Federal Fund	2,059,654	2,059,654
				PL6053 Move 1 FTE from Minority Achiev. to Administration		(33,848)	(33,858)
					General Fund	(33,848)	(33,858)

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
E - Education							
		Commissioner of Higher Education					
		TRIBAL COLLEGE ASSISTANCE PGM					
		Ongoing				450,000	450,000
				Base adjusted for fixed costs and inflation		450,000	450,000
					General Fund	400,000	400,000
						400,000	400,000
				PL1101 Biennial Appropriation Adjustment		(200,000)	(200,000)
					General Fund	(200,000)	(200,000)
				PL1102 Increase Non-beneficiary Student Assistance		250,000	250,000
					General Fund	250,000	250,000
		WORK FORCE DEVELOPMENT PGM					
		Ongoing				6,398,772	6,400,239
				Base adjusted for fixed costs and inflation		6,398,772	6,400,239
					General Fund	6,484,111	6,485,578
					Federal Fund	91,092	91,092
						6,393,019	6,394,486
				PL801 Decrease Grant Funding		(85,339)	(85,339)
					Federal Fund	(85,339)	(85,339)
		Historical Society					
		ADMINISTRATION PROGRAM					
		Ongoing				4,118,738	4,112,007
				Base adjusted for fixed costs and inflation		1,730,760	1,717,123
					General Fund	1,730,760	1,717,123
					State Special Fund	1,711,560	1,697,923
					Federal Fund	1,130,386	1,102,096
					Proprietary	84,992	85,019
						56,500	56,500
						439,682	454,308
				NP21 Restoring base expenditures		0	0
					General Fund	63,370	63,370
					Proprietary	(63,370)	(63,370)
				PL2 Computer Replacement		19,200	19,200
					General Fund	19,200	19,200
		HISTORIC PRESERVATION PROGRAM					
		Ongoing				664,636	669,082
				Base adjusted for fixed costs and inflation		664,636	669,082
					General Fund	634,360	638,806
					Federal Fund	52,639	54,074
					Proprietary	576,721	579,732
						5,000	5,000
				PL7 State Historic Preservation Office Funding		30,276	30,276
					General Fund	30,276	30,276
		MUSEUM PROGRAM					
		Ongoing				321,512	319,445
				Base adjusted for fixed costs and inflation		321,512	319,445
					General Fund	521,143	523,076
					State Special Fund	510,643	512,576
					Proprietary	500	500
						10,000	10,000
				NP8 Museum Assistant Registrar Positions		55,000	51,000
					General Fund	55,000	51,000
				PL20 Move expended LA base of Lodging Facility Tax		(254,631)	(254,631)
					General Fund	(254,631)	(254,631)
		PUBLICATIONS PROGRAM					
		Ongoing				532,541	533,592
				Base adjusted for fixed costs and inflation		532,541	533,592
					General Fund	490,108	491,159
					Proprietary	49,147	49,387
						440,961	441,772
				NP6 Increase State Support - Western History Magazine		42,433	42,433
					General Fund	42,433	42,433

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
E - Education							
Historical Society							
RESEARCH CENTER						869,289	872,765
Ongoing						869,289	872,765
Base adjusted for fixed costs and inflation						869,289	872,765
General Fund						795,216	798,610
State Special Fund						2,624	2,624
Proprietary						71,449	71,531
Library Commission						4,973,760	4,283,960
STATEWIDE LIBRARY RESOURCES						4,973,760	4,283,960
Ongoing						4,973,760	4,283,960
Base adjusted for fixed costs and inflation						3,691,959	3,727,190
General Fund						1,974,628	2,008,528
State Special Fund						1,081,517	1,081,517
Federal Fund						635,814	637,145
NP6 Increase Library Federation Support						135,000	135,000
State Special Fund						135,000	135,000
PL1 GIS Portal						150,000	150,000
General Fund						150,000	150,000
PL2 Natural Heritage Program						75,000	75,000
General Fund						75,000	75,000
PL4 Standard Cost Adjustments						5,550	5,550
General Fund						5,550	5,550
PL5 LSTA Grants						916,251	191,220
Federal Fund						916,251	191,220
Montana Arts Council						1,329,669	1,237,178
PROMOTION OF THE ARTS						1,329,669	1,237,178
Ongoing						1,255,749	1,237,178
Base adjusted for fixed costs and inflation						1,206,812	1,190,008
General Fund						423,104	403,344
State Special Fund						192,595	193,380
Federal Fund						591,113	593,284
NP1 LAN Administration, Hosting, and Server Needs						10,000	10,000
General Fund						10,000	10,000
NP2 Arts Education in K-12 Schools						10,000	12,500
General Fund						10,000	12,500
PL5 Rent Increase & Relocation Expenses						22,100	19,108
General Fund						9,382	5,532
State Special Fund						7,536	8,044
Federal Fund						5,182	5,532
PL51401 Present Law Cost Adjustments						6,837	5,562
General Fund						2,772	2,397
State Special Fund						259	634
Federal Fund						3,806	2,531
OTO						73,920	0
NP8 Database Re-Write - OTO						73,920	0
General Fund						73,920	0
Office of Public Instruction						788,110,908	808,304,736
LOCAL EDUCATION ACTIVITIES						765,123,973	785,656,389
Ongoing						765,123,973	785,656,389
Base adjusted for fixed costs and inflation						660,215,924	660,215,924
General Fund						526,502,093	526,502,093
State Special Fund						750,000	750,000
Federal Fund						132,963,831	132,963,831

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
E - Education							
		Office of Public Instruction					
				<u>NP1 Full-Time Kindergarten</u>		11,720,000	13,448,700
					General Fund	11,720,000	13,448,700
				<u>NP13 Adult Basic and Literacy Education</u>		250,000	250,000
					General Fund	250,000	250,000
				<u>NP2 District Retirement Fund</u>		3,172,623	3,266,850
					General Fund	3,172,623	3,266,850
				<u>NP23 School Facilities Reimbursement</u>		1,097,744	1,097,744
					General Fund	1,097,744	1,097,744
				<u>NP39 Increase Per Educator & Middle Basic Entitlement</u>		9,780,918	10,021,405
					General Fund	9,780,918	10,021,405
				<u>NP7 Special Education</u>		1,232,153	2,601,706
					General Fund	1,232,153	2,601,706
				<u>PL24 Pupil Transportation Appropriation</u>		330,000	430,000
					General Fund	330,000	430,000
				<u>PL25 School Block Grants - HB 124</u>		766,141	1,153,584
					General Fund	766,141	1,153,584
				<u>PL26 State Tuition Payments</u>		336,000	336,000
					General Fund	336,000	336,000
				<u>PL27 School District Audit Filing Fee Increase</u>		29,300	34,600
					General Fund	29,300	34,600
				<u>PL28 Special Education Increase to FY 2007 Level</u>		1,009,992	1,020,500
					General Fund	1,009,992	1,020,500
				<u>PL29 Biennial Appropriations</u>		131,039	131,039
					General Fund	131,039	131,039
				<u>PL3 K-12 BASE Aid</u>		14,737,109	25,339,728
					General Fund	14,737,109	25,339,728
				<u>PL32 Federal Grant Award Adjustment -</u>		6,321,412	12,185,070
					Federal Fund	6,321,412	12,185,070
				<u>PL36 Replace Guarantee Account -Interest & Income</u>		18,299,383	18,472,383
					General Fund	18,299,383	18,472,383
				<u>PL37 2005 Special Session Funding</u>		35,934,188	35,891,109
					General Fund	35,934,188	35,891,109
				<u>PL38 Indian Education For All-Biennial</u>		(239,953)	(239,953)
					General Fund	(239,953)	(239,953)
				STATE LEVEL ACTIVITIES		22,986,935	22,648,347
				<u>Ongoing</u>		22,464,435	22,285,847
				<u>Base adjusted for fixed costs and inflation</u>		17,496,592	17,544,908
					General Fund	5,607,104	5,631,711
					State Special Fund	225,072	225,276
					Federal Fund	11,664,416	11,687,921
				<u>NP23002 Surplus Computers for Schools</u>		19,237	19,237
					General Fund	19,237	19,237
				<u>NP33 School Support System Assistant (Federal)</u>		46,107	45,829
					Federal Fund	46,107	45,829
				<u>NP53 Indian Education Programs</u>		509,928	510,147
					General Fund	509,928	510,147

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
E - Education							
Office of Public Instruction							
				NP6 K12 Education Data Systems		1,741,814	1,467,133
					General Fund	1,741,814	1,467,133
				NP8 Curriculum Specialist Support to Quality Schools		959,700	924,816
					General Fund	959,700	924,816
				PL19 Statewide Student Assessment (NRT)		27,500	42,500
					General Fund	27,500	42,500
				PL21 Hearing Conservation Program		28,007	49,990
					General Fund	28,007	49,990
				PL30 Indian Education for All Reestablished		573,200	573,200
					General Fund	573,200	573,200
				PL31 Federal Grant Award Adjustment - 06		865,012	901,966
					Federal Fund	865,012	901,966
				PL33002 Gifted and Talented Staff Request		11,776	11,776
					General Fund	11,776	11,776
				PL34 Traffic Education 0.125 FTE HB 0002		4,046	4,052
					State Special Fund	4,046	4,052
				PL51 Indirect Cost of Base Adjustments		181,516	190,293
					General Fund	82,301	86,826
					State Special Fund	896	937
					Federal Fund	98,319	102,530
			OTO			522,500	362,500
				NP16 Storage Area Network (SAN) Replacement - OTO		160,000	0
					General Fund	160,000	0
				NP54 Indian Ed for All Tribal History - Biennial OTO		237,500	237,500
					General Fund	237,500	237,500
				NP6 K12 Education Data Systems		125,000	125,000
					General Fund	125,000	125,000
						5,873,834	5,897,203
				School for the Deaf and Blind			
				ADMINISTRATION PROGRAM		445,931	414,921
				Ongoing		445,931	414,921
				Base adjusted for fixed costs and inflation		445,931	414,921
					General Fund	443,771	412,761
					State Special Fund	2,160	2,160
				EDUCATION		3,635,534	3,684,921
				Ongoing		3,635,534	3,684,921
				Base adjusted for fixed costs and inflation		3,097,836	3,102,415
					General Fund	2,607,319	2,736,898
					State Special Fund	416,941	291,941
					Federal Fund	73,576	73,576
				NP2 Retention/Recruitment of Highly Qualified Staff		213,857	265,050
					General Fund	213,857	265,050
				NP3 Expansion of Outreach Services		227,663	221,509
					General Fund	227,663	221,509
				NP4 Guidance Counselor		42,676	42,676
					General Fund	42,676	42,676
				NP414 Per Educator Component Increase		13,058	12,904
					General Fund	13,058	12,904
				NP6 Educational Audiologist		56,418	56,418
					General Fund	56,418	56,418

Appendix: HB 2 Detailed Agency Budgets

Section	Agency	Program	OTO	DP name	Fund Type	FY 2008	FY 2009
E - Education							
		<u>School for the Deaf and Blind</u>					
				<u>PL1 Extracurricular Compensation</u>		26,243	26,243
					General Fund	26,243	26,243
				<u>PL12 HB 438 Initial Equipment Reduction</u>		(48,542)	(48,542)
					General Fund	(48,542)	(48,542)
				<u>PL7 Special Session 2005 - Indian Ed & Achievement Gap</u>		2,387	2,387
					General Fund	2,387	2,387
				<u>PL9 Replace Motor Pool Lease Van</u>		3,938	3,861
					General Fund	3,938	3,861
		<u>GENERAL SERVICES</u>				538,636	534,971
		<u>Ongoing</u>				538,636	534,971
				<u>Base adjusted for fixed costs and inflation</u>		538,636	534,971
					General Fund	538,636	534,971
		<u>STUDENT SERVICES</u>				1,253,733	1,262,390
		<u>Ongoing</u>				1,253,733	1,262,390
				<u>Base adjusted for fixed costs and inflation</u>		1,246,064	1,254,567
					General Fund	1,218,877	1,227,380
					Federal Fund	27,187	27,187
				<u>NP314 Per Educator Component Increase</u>		7,669	7,823
					General Fund	7,669	7,823
Grand Total						3,867,724,680	3,916,279,206

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